

Managing Membership

Ireland and the European Economic Community 1973-1979

Aoife Keogh Daveri

Thesis submitted for assessment with a view to obtaining the degree of Doctor of History and Civilization of the European University Institute

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European University Institute Department of History and Civilization

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Thesis Abstract

Managing Ireland's relations with the EEC after accession suffered from several shortcomings which bore direct consequences for its overall handling of membership. Those difficulties were linked firstly to resistence towards administrative reform nationally and secondly to its relations with the EEC prior to accession. Initially, the Department of Finance led negotiations but Lynch decided to nominate Foreign Affairs as official gate-keeper of Ireland's relations with the EEC in 1970. Finance concentrated on readying and gathering information and data for negotiations from departments at home while the DFA concentrated its efforts on actual negotiations in Brussels. While maximising resources in the short-term, this effectively straddled EEC policy between departments and delayed the evolution of a domestic mechanism for filtering Ireland's relations through one body. That split did not help enhance co-ordination after membership. This situation was complicated by the fact that officials in the two departments had very different perceptions of what membership was and could become. It is argued that the model which emerged for 'managing membership' had significant repercussions on decision-making and Ireland's relations with the EEC. Difficulties and inconsistencies are highlighted relating to specific policies such as ERDF and EMS in the final chapters of this dissertation. The DFA managed to assert its position and central coordinating role particularly during Ireland's first Presidency of the European Council in 1975 but it was side-lined once more as negotiations for EMS approached. Finance and the Taoiseach's Office took the lead in these negotations. But ineffective filtering of Irish policy toward the EEC through the DFA meant that considerable institutional memory in diplomatic relations was under-utilised and this is noted in this research. Despite the DFA's relentless efforts to make its mark and defend its gatekeeping function throughout the 1970s, its role was diminished even further with the arrival of a new government in 1979.

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Introduction

Like many PhD dissertations this project has evolved and changed considerably since its inception. The initial theme, which endeavoured to trace how Ireland's diplomatic relations evolved after accession with the European institutions and other partner states, was extremely broad and resembled several rather than one dissertation project. But at the same time, approaching empirical material without a narrow focus was also advantageous because it allowed me the flexibility to investigate various facets of Ireland's relations with Europe and understand not only where my primary interests as a researcher lay but also what was feasible. Indeed, I became more interested in Ireland's actual internal adaptation after accession from 1973-1979. The latter presented a host of opportunities and challenges for Ireland that involved making logistical and practical changes. But the model which emerged for 'managing membership' had significant repercussions on decision-making within the EEC. This dissertation seeks to trace why this system of management emerged and the effects it had on Ireland's relations with the Communities immediately after accession. Its evolution was not linear or without paradox and this dissertation seeks to underline those opposing trajectories. In introducing how this wide research theme has been handled, it will be important to outline the approach taken, methodology used and how these findings interact with scholarship already available in the field.

Approach and Literature related to Ireland and the European Communities

Emphasising Ireland's size or 'smallness' is featured frequently in scholarship concerning Ireland's foreign policy. This can make sense in relativising positions particularly concerning foreign policy. While, at times, the size of its public service had an impact on the tasks of membership such as Ireland's management of its Presidency in 1975, it will not be emphasised in this dissertation. On the other hand, it will be important to highlight from where and on what footing membership began.

It has been especially fruitful to contextualise this research in a longer historical trajectory. The first chapter underlines this approach. Certain patterns emerge in Ireland's relations with the EEC in the 1960s which are repeated in the 1970s. This dissertation emphasises that that pre-history had a significant effect on Ireland's membership of the

EEC after 1973. Important features of this include: weak economic position; former dependence on the UK; the influence and evolution of administrative structures concerning EEC affairs prior to membership. These experiences effected Ireland in terms of actually administering membership but also in the way it approached membership.

Considerable institutional learning about the nature of the Communities and the implications of the Treaty of Rome took place as early as 1961-1969. Irish policy makers adapted successive applications for membership as well as tactics for approaching and 'courting' the Six. There was also a significant transition within the state because EEC membership became a central policy objective and foreign, Anglo-Irish and economic policy were shaped around achieving the latter by the mid 1960s. In contrast, these findings demonstrate that there was very little preparation for actual membership – at an administrative level. Ireland's White Paper entitled *Membership of the European Communities*, for example, contains no systematic discussion of the possible implications of membership for policymaking procedures and styles in the civil service. But strengthening links with the Six and the Communities or institutions after 1973 did not stop at accession but intensified. This, the DFA noted during accession talks because it issued an important report outlining specific procedures for managing and administering membership.

Procedures for managing Ireland's relations with the EEC after accession had several shortcomings. Difficulties were linked to resistence towards administrative reform nationally but particularly rooted in its relations with the EEC during accession negotiations. Lynch nominated Foreign Affairs to lead negotiations and as general gate-keeper of EEC affairs. But Finance would co-ordinate gathering data and information from various departments at home in preparation for negotiations. This optimised resources and expertise but it also straddled EEC policy between departments, delayed the evolution of a domestic mechanism for filtering Ireland's relations through one body/department. That split did not help enhance co-ordination after membership. Indeed, the DFA would struggle to assert itself as official gatekeeper. Finance resisted this arrangement and strove to maintain its authority over at least economic and fiscal matters. There are concrete examples in the later part of this dissertation of Finance by-passing DFA and contacting the Commission directly in some cases. It also, at times, appealed

directly to the Taoiseach's Office in pushing its agenda creating a dual platform for debating EEC affairs. Essentially, Ireland's membership got off to a bad start!

These departments also had very different perceptions of what membership was and could become. Inter-departmental debate at the European Communities Committee and internal correspondence indicates that the DFA was influenced by Ireland's relations with the EEC prior to membership. Indeed, Finance and the DFA differed in this regard. Finance's focus remained largely on gaining as much as possible in monetary terms from membership. The DFA had a wider appreciation of Ireland's responsibilities and obligations from within the Communities. Having had direct contact with the Six through its missions, the DFA had learned and had been immersed in Community ideals that went far beyond a trading partnership. It was in Ireland's interest to portray a pro-integrationist image and this would help its overall position within the EEC.

Empirical examples trace these counter-tendencies as well as considerable rivalry between departments. The DFA managed to assert its position and central co-ordinating role particularly during Ireland's first Presidency of the European Council in 1975 and there was considerable improvement in communication with the Taoiseach's Office.

But that role was side-lined once more as negotiations for EMS (European Monetary System) approached and a new government was elected in 1977. As had been the case during Ireland's moves toward liberalisation in the 1960s, Finance and the Taoiseach's Office managed Ireland's economic relations with the EEC. But diminishing the DFA's role meant that considerable institutional memory in diplomatic relations with member states, built up from 1961, was under-utilised in Ireland's policy formulation regarding EMS.

The first steps in analysing how this research would be tackled involved studying and analysing the literature available to date and understanding where a contribution could be made. While there are several general histories of Ireland in the 1970s, there are a relatively limited number of histories available specifically concerning Ireland and European integration from 1973 until 1979. Most of those available are generally diplomatic histories. Instead, my interests lay in the mechanics of administering and actually managing membership. My analysis and specialisation in Ireland's Second Application for Membership of the Communities in 1967 underlined the importance of

diplomatic reporting and inter-departmental debate in influencing overall policy formulation.¹

The initial research began in 1975 with Ireland's Presidency of the European Communities. Two important features of Ireland's membership were immediately identified. Firstly, learning was evident from the 1960s and secondly a willingness to innovate during its presidency. Tensions were evident particularly in correspondence between departments. Several examples were forthcoming. Finance hesitated to pay for diplomats to take French lessons as well as re-emburse travel expenses leading upto the beginning of the Presidency for example. These were perceived as superflous to the national purse but the DFA retained these as essential in its co-ordination of the Presidency. This provoked many questions about the evolution of the acutal management of membership and substantial political science literature was surveyed.

Articles by economists, experts on agriculture and regional government were also studied. Rory O'Donnell and Patrick Keatinge's edited volumes have been most helpful. These gathered essays from various experts on various facets of membership and provided important springboards from where to complement my findings and begin further analysis ².

There is considerable tension between historians and political scientists.³ Both approach research with very different methodologies. However, these disciplines can gain substantially by building a stonger dialogue between the two. Bulmer and Burch's book provides important information on Whitehall's adaptation after membership and is a valuable example of where co-operation can add greatly to scholarship.⁴ The research presented here has striven to demonstrate where wider readership outside one's own discipline can help analytically. Descriptions of different types of learning for example can broaden ones outlook and challenge the researcher to examinine empirical files in new ways.

Many historical texts were also surveyed but they often lacked detail on the

¹Aoife Keogh, 'Ireland's Second Application for Membership of the European Communities' (M Phil Dissertation, University Colllege Cork, 2004).

² Patrick Keatinge (ed.), *EEC Membership Evaluated* (Pinter, 1991); Rory O'Donnell (ed.), *Europe: the Irish Experience* (Institute of European Affairs, 2000).

³ Cini, Michelle and Bourne, Angela K, Palgrave (eds.), *Advances in European Integration Studies* (Houndmills, 2006), pp. 6-7.

⁴ Simon Bulmer and Martin Burch, *The Europeanisation of Whitehall, UK Central Government and the European Union* (Manchester University Press, 2008).

formation of actual committees and processes by which information was distributed, debated and decided upon. Political decisions often dominated. My interests lay instead in how officials processed information concerning these policies. Texts, such as Brigid Laffan and Jane O'Mahony's *Ireland and the European Union*, helped greatly in understanding the actual mechanism by which information was filtered and debated in government. This text also provides a useful introduction which outlines Ireland's history with the EEC prior to membership.

At the same time, some texts lacked a longer historical context which could have added to findings. Maura Adshead's significant scholarship on European Regional and Development Funds (ERDF) provides an important example. It does not provide a longer term historical analysis and therefore omits an important aspect of the development of ERDF in Ireland.⁵ Why did one position prevail over another and did some departments wield more influence than others. Did these repeat or copperfasten over time? These findings underline the importance of taking a longer historical perspective and indicate that influence oscillated between departments over time.

There are other examples of where political and diplomatic relations dominated the narrative. Garret FitzGerald gives an engaging and interesting account of his personal experiences in Ireland and Europe in his autobiography *All in a Life* and *Further Reflections*. Instead, John Walsh's biography of Patrick Hillery gives greater insights into the actual workings within the administration and the Cabinet and not just at the administrative level.⁶

Anglo-Irish affairs dominated the narrative in some earlier historical narratives. This trend changed in the early 1990s and the EEC began to play a bigger role in texts. Joe Lee's *Ireland 1912-1985 Politics and Society* brought in the wider European dimension in a comparative way particularly in terms of Ireland's economic growth after the Second World War. There is a substantial section regarding the EEC where he is very critical of policy-making during this period. He also finds fault with the Irish administration's hesitance to restructure and reform. Despite having little access to empirical material at the time of publication, his reflections and analysis have been extremely important to

⁵ Maura Adshead, Developing European Regions?: Comparative Governance, Policy Networks and European Integration (Ashgate, 2002).

⁶ John Walsh, *Patrick Hillery, the Official Biography* (New Island, 2008).

⁷ Joe Lee's *Ireland 1912-1985 – Politics and Society* (Cambridge University Press, Cambridge).

⁸ Joe Lee, *Reflections on Ireland in the EEC* (Irish Council for the European Movement, 1984), pp. 49-57.

questioning my findings. Similarly, his work on ERDF in an Irish Council for the European Movement (ICEM) publication greatly benefitted my research concerning ERDF. 9

Similarly, Dermot Keogh devotes significant attention to Europe in his history of Twentieth Century Ireland. 10 The latter has also written widely on Ireland and European integration as well as international relations and that wider perspective is evident in this text. It also makes an important contribution regarding developments in Irish literature and art during this period. But Keogh is also critical of Irish performance in certain instances and these are also taken up in this text. Increased centralisation at the expense of local government is underlined in the examination of Ireland's internal administration of ERDF. Both Keogh and Lee devote much attention to internal adaptation within the Irish government.

It was only in 1989 that the first academic examination of Ireland and Europe was published. Ireland and Europe 1919-1948 marked a new departure in the writing of Irish diplomatic history. 11 This narrative identified many new themes for Irish scholarship. Doctoral theses and specialist essays continued to emerge on Ireland and the EEC. In the 1990s, Irish universities began to fund research centres devoted to European affairs. While earlier publications had developed from a diplomatic historical tradition and prioritised primarily DFA files, some researchers began taking an increasingly wider interdepartmental approach. This is important because the Taoiseach's Office, Finance, Industry and Commerce and the DFA all greatly contributed to Ireland's strategy towards the EEC. Maurice FitzGerald, Gary Murphy and Mervyn O'Driscoll were among this new generation of historians. 12

Historians have been relatively hesitant to use relevant community archives concerning Ireland and European Integration. This is changing and recent publications draw from wider sources. *Ireland Through European Eyes*, for example, gathers essays

⁹ Ibid.

¹⁰ Dermot Keogh and Andrew McCarthy, Twentieth Century Ireland Revolution and State-Building (Gill

and Macmillan, Dublin, 2005).

11 Dermot Keogh, *Ireland and Europe: 1919-1948* (Gill and Macmillan, Hibernian University Press, Dublin and Cork, 1990) and Dermot Keogh Ireland and Europe 1919-1989 A Diplomatic and Political History (Hibernian University Press, Cork, 1990).

12 Gary Murphy, *In Search of the Promised Land: The Politics of Post-War Ireland 1945-1961* (Mercier

Press, 2009); Maurice Fitzgerald, From Protectionism to Liberalisation: Ireland and the EEC 1957-66 (Ashgate, 2001).

from scholars specialising in Ireland's relations with the original Six.¹³ But these essays, while important, focus on diplomatic and political relations between Ireland and the Communities leading to membership.

Recent doctoral dissertations such as those by Michael Geary and that of Martin Wall are important in beginning to understand Ireland's role in the EEC leading to and after accession. ¹⁴ Michael Geary's research focused on Ireland's relations with the Commission during negotiations. He uses primary material well and also includes important insights from British files.

Martin Wall's dissertation began with a similar theme to this dissertation and demonstrates how two researchers can arrive at very different conclusions having begun with access to similar material. The same official files were interpreted and analysed very differently. A good example may be ERDF. Wall focused on why and how Ireland fought for additional regional funding. He contextualised Ireland's positioning with Anglo-Irish Affairs particularly in relation to Northern Ireland. This research, on the other hand, focused on why and how applications for funding were processed within Ireland's administration. That was contextualised in a longer term institutional history which tended to favour the centralisation of funding to the demise of regional government. The second chapter concerning ERDF analysed bargaining amongst the Nine to a certain extent but emphasised wider questions such as the fear of *juste-retour* being introduced.

Dermot Ferriter's *Ambiguous Republic* has provided a new history of Ireland in the 1970s. Chapters concerning Europe and equal pay have proved important and insightful. The individual essays are excellent and steeped in extensive historical research. While there are certainly advantages in exploring specific themes in chapters, these appear disjointed as an entire text. In the case of Ireland's relations with Europe, an in-depth analysis of the overall theme as related to the 1970s is missing. Tendencies and countertendencies go un-remarked. It must be admitted that is not the primary focus of this text. My research has, on the other hand, been able to focus exclusively on Ireland's actual management of membership. This has allowed me to remark on developments and power-

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¹³ Mervyn O'Driscoll, Dermot Keogh and Jerome aan der Wiel (eds.), *Ireland through European Eyes:* Western Europe, the EEC and Ireland 1945-1973 (Cork University Press, 2013).

¹⁴ Michael Geary, *An Inconvenient Wait: Ireland's Quest for Membership of the EEC 1957-1973* (Institute of Public Adminstration, 2009); Martin Wall, 'Ireland and the European Economic Community 1973-1977', (Unpublished PhD dissertation, University College Cork, 2011); Kevin O'Sullivan, *Ireland, Africa and the End of Empire small state identity in the Cold War 1955-1975* (Manchester University Press, 2012).

struggles within the administration over an extensive period concerning membership. The chapter dealing with equal pay attempts to supplement this research by providing additional findings on Hillery and the Commission's reaction and developments therein to Ireland's stance. It also contextualises Finance's actions and attacks on the Commission in a longer struggle over the European Affairs portfolio among departments.

Ireland and Europe has been relatively little addressed also in broader European literature. There is a large emphasis on the big players and Ireland's application and eventual adhesion to the EEC is often interpreted as secondary to the British application. ¹⁵ Ireland is largely skimmed over in many general texts concerning the history of European integration. Denmark's application has also suffered a similar fate in this historiography. ¹⁶ This approach is mistaken since important multilateral players within the enlargement debate are excluded along with their rich archival material. In the Irish case, for example, the physical scale of the archives available is more manageable. Additionally, there are fewer civil servants and therefore one gets a better insight into personalities and dynamics, not only within the Irish civil service and government but also within the relevant EEC institutions. This is beginning to change and the late Alan Milward's latest publication gives a more measured treatment of EEC enlargement by drawing from Irish, Danish and British sources. ¹⁷

Gary Murphy's research papers are good examples of the specialist work that is now being undertaken. ¹⁸ Murphy's recent publication is also significant because it consists of a series of essays on different aspects of politics and society and Ireland's path toward

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Dublin Press, 2005).

¹⁵The big players are defined as France, Germany and Britain. Examples of literature that concentrates mainly on the role of these countries in European integration include: Oliver Bange, *The EEC in Crisis of 1963 Kennedy, Macmillan, de Gaulle and Adenauer in Conflict (Macmillan Press, 2000);* Dinan, Desmond, *Ever Closer Union : an Introduction to European Integration (*Palgrave Macmillan, 2005).

¹⁵ Brian Girvin (ed.), *The Green Pool and the Origins of the Common Agricultural Policy*, (Lothian Press, 1995); Brian Girvin *Between Two Worlds: Politics and Economy in Independent Ireland* (Gill and Macmillan, 1989).

¹⁵ Piers Ludlow, *The European Community and the Crises of the 1960s: Negotiating the Gaullist Challenge* (Routledge, 2006), p. 8.

¹⁵ Bange, Oliver, *EEC in Crisis;* Dinan, Desmond, *Ever closer union*.

¹⁶ Aoife Keogh, 'Ireland's Second Application for Membership'

¹⁷ Alan Milward, *Politics and Economics in the History of the European Union (*Routledge, London, 2005). ¹⁸ Gary Murphy, 'Towards a Corporate State, Seán Lemass and the Realignment of Interest Groups in the Policy Process 1948-1964' *Dublin City University BS Research Papers*, 1996-1997, No. 23; Gary Murphy and Brian Girvin, *The Lemass era: Politics and Society in the Ireland of Sean Lemass* (University College

Europe. His work engages with political scientists specialising in Ireland and Europe. ¹⁹ This is a trend which is also prevalent among other historians writing on similar themes in other European countries. ²⁰

Ireland's relations with the EEC have been investigated in other academic fields such as the political sciences. Brigid Laffan and Michael Holmes have contributed to several international journals in this field relating to Ireland's relations with the EEC. ²¹ Brian Girvin gathers articles from European authors drawing from wide European sources in this edited volume. He contextualizes agricultural pressure groups in Germany, France and Italy with the Irish sector. ²² Themes are often contemporary, comparative and interactive with European continental scholarship. However, there are significant differences in methodologies. But inter-disciplinarity can be particularly helpful in studying the history of European integration.

Another important element which is evident in literature concerning the history of European integration should be mentioned here. Historians such as Rasmussen, Kaiser and Leucht are increasingly focusing on the advantages of going beyond national borders in the writing of this history.²³ Their research focuses on groups which crossed and moved between nation states such as political parties. It is important to keep in mind these broader trends in the writing of the history of European integration. It will focus on the impact that EEC membership had on Ireland's administration and some of its actors. It is not possible to examine every aspect of these changes but it is useful to highlight particularities and paradoxes in Ireland's history during this period.

Methodology

In order to ascertain how Ireland handled membership, it was critical to analyse national archives across a number of various departments. The Department of the Taoiseach (DT), Finance (F) and the Department of Foreign Affairs files (DFA) were central to this

¹⁹ Brian Girvin and Gary Murphy (eds.), *Continuity, Change and Crisis in Contemporary Ireland* (Routledge, 2010).

⁽Routledge, 2010).

These new trends are debated at length by historians and political scientists in Michelle Cini, Angela K. Bourne (eds.), *Palgrave Advances in European Union Studies* (Houndmills 2006).

²¹ Brigid Laffan, 'Integration and Cooperation in Europe' and 'Ireland's Management of EU Business: the Impact of Nice' in Michael Holmes (ed.), *Ireland and the European Union Nice, Enlargement and the future of Europe* (Manchester University Press, 2005).

²² Brian Girvin (ed.), *Green Pool*; Brian Girvin *Between Two Worlds*.

²³ Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen (eds.), *The History of the European Union Origins of trans-and supranational polity 1950-72* (Routledge, 2009).

process. The minutes of the European Communities Committee were used as its primary starting point and themes were researched working outwards from there. But the committee minutes enabled me to hone in on the actual co-ordination between departments and trace where difficulties arose. That dialogue directly influenced my choice of chapters. From here specific themes were studied in greater detail by delving into individual departmental files. This was especially challenging at times. Finance files were abundant but not well catalogued. It was difficult to individualise, at times, its internal drafting of specific strategies related to the EEC.

The Hillery and FitzGerald papers were opened toward the end of my research. Hillery's papers were particularly useful by providing important insights into both the Commission and Hillery's opinion of Ireland's handling of membership. They have been especially important to analysing equal pay legislation and regional funds and have been referred to substantially. Hillery's diary also provided important information which helped greatly to supplement official publications in sequencing specific events and meetings. These, unfortunately, ended in 1976/1977 when both men changed positions. Hillery went back to Ireland as President of the Republic and FitzGerald joined the opposition benches in 1977.

As has been mentioned above, integrating wider political science literature was particularly useful in helping me to frame this analysis. That is most prevalent in the chapter regarding Ireland's first chairmanship of the European Council. Debate on the power of the presidency was especially interesting and helped me to push my archival findings further and engage in a larger debate. But literature in the political sciences concerning the effects of agenda-setting or impartial arbitration helped me to describe findings. Metaphors such as amplifying and silencing national agendas aided similarly.

Work by scholars, such as Brigid Laffan and Patrick Keatinge who have worked specifically on Ireland's administrative adaptation after membership for over twenty years, has been extremely important. But my research strives to go beyond that scholarship by integrating empiricial inter-departmental sources which were not always available to these academics. But it is also grounded in a longer historical context from Ireland's first attempt at membership in 1961. It begins by understanding administrative preparation and attempts to propose why the system evolved as it did and the repercussions that it had for Ireland's general membership of the Communities. But this is exactly where historians

and political scientists can benefit through greater dialogue. By accessing empirical archives, it was possible to build on this information and establish a picture as to how the system for managing membership emerged. Understanding the make-up of committees and the mechanisms for distributing information also helped in selecting where to look for specific information on policy areas.

At the same time, however, lacune in some specialist essays are evident. Maura Adshead's work on the ERDF is a significant example. She analyses Ireland's management of ERDF extremely well but fails to frame its evolution in a longer historical framework. And, therefore, her conclusion is based on a specific time period which doesn't take account of important changes in ERDF which took place in the 1970s. My research instead investigates the roots of why and how the system for selecting ERDF applications to be forwarded to Brussels evolved in Ireland. She overlooks the debate which encouraged central governance to the demise of local government in the 1970s. The roots of today's difficulties in Ireland's local government dates back to Ireland's decision to ignore Devlin's recommendations for reform in the 1970s as well as its policy to centralise regional development in 1974/5. But the latter can only be understood through a thorough analysis of the 1970s empirical files which Adshead omits. This longer perspective adds considerably to understanding that system's evolution and therefore its shortcomings later on.

The European Regional and Development Fund (ERDF) provides an important example of where an EEC policy is integrated into a national arena. The latter is demonstrated to have had important consequences for the development of Ireland's national regional policy. It also demonstrates fraught relations between Finance and the DFA as well as the pursuit of a vigorous policy of centralisation. But this research can also help in understanding other larger questions in the history of European integration and the development of the Communities in the 1970s. Examining Ireland's experiences can highlight the Community's participation at national level in implementing, negotiating and delegating the management of important fund distribution projects such as the European Regional and Development Fund (ERDF). It is a paradox that in the case of Ireland, despite the ERDF, the national government actually initially failed to promote an effective system of regional planning. So why did the Community not take a more active

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²⁴ Maura Adshead, *Developing European Regions*, p. 64.

where were the parameters beyond which influence or input could be interpreted as interference. But there have been positive signs in recent years and Mark Callanan and Justin Keogan have exposed these effectively. ²⁵ These changes have been relatively slow but consistent. And although initially national governance initially virtually excluded local government from the application process for regional funding, the European Commission has helped promote its involvement in the longer term particularly since 1987. ²⁶

This dissertation highlights the importance of administrative history to understanding Ireland's management of membership. A system evolved which would have serious repercussions on several facets of Ireland's membership. But the evolution of Ireland's administration of membership was central to this process. It affected each department's role and power to make its impact on strategy. In Ireland's case, Finance would continue to bear considerable influence on the direction of policy after 1973.

This analysis also attempts to contextualise Ireland's history with the same challenges faced by other member states. Bulmer and Burch's book provides important information on Whitehall's adaptation after membership. The Irish system compared unfavorably with the UK in this regard. Whitehall's procedures for filtering its management of EEC affairs were efficient and well established as early as 1962/3.

Denmark also provides another important point of reference and is referred to frequently throughout the dissertation. DFA reports made references to developments in Denmark. The latter was distinguised from Ireland and the UK because its financial policy concerning the Communities was managed from the beginning by its Finance department.

The dissertation attempted to go beyond the government's administrative setting by adding an additional section on equal pay. There has been relatively little formal research into this fascinating topic which prominated in national newspapers for most of 1976 and 1977. The Tweedy series in the National Archives and the Conroy papers in University College Cork Archives provided rich material. My research contrasts changes in Irish society with resistence to reform in government circles.

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²⁵ Mark Callanan, 'Local Government and the European Union', in Mark Callanan and Justin Keogan (eds.), *Local Government in Ireland Inside Out* (Insitute of Public Administration, 2003), p. 414.

Kaelble describes the emergence of a European Way in the 1960s.²⁷ But this should not be associated exclusively with membership of the EEC. These transnational influences and links pre-date the foundation of the European Economic Community and cannot be attributed only to EEC membership. However, through membership, Ireland was certainly more exposed to influences from the continent and in some cases political obligations enforced changes in Irish legislation in order to conform to the *acquis communitaire*. Direct comparisons were increasingly made between a woman's position in Ireland and in Europe because membership should have placed them on an equal footing. Groups expected change and these issues spiralled into an important debate on the woman's position in society. It also underlined the importance that the EEC had in empowering this group and providing a new debate in Ireland.

Instead the chapter exploring direct elections to the European Parliament and the change in government takes up inter-departmental debate once more on Ireland's future within the EEC. It underlines that the change in government had a considerable impact on the DFA and its management of relations with the EEC because O'Kennedy contrasted greatly with FitzGerald's hands-on approach. But analysing EP also served as an important example of where a European initiative was internalised. Another feature which marked this period was the emergence of specialist sub-committees. The Department of Local Government studied this issue and made recommendations as to which system should be adopted. But its report on direct elections to the EP was very much steeped in the national context. It lacked a broader appreciation of what the EP entailed. This approach was criticised heavily by officials in the Taoiseach's Office.

The final chapter investigates Ireland's motivations for joining EMS. This text can add to wider studies concerning the development of EMS in the Communities. There is not a lot of secondary material available on Ireland and EMS. Mourlon-Druol's dissertation provides a longer term picture concerning EMS from 1976.²⁸ This chapter contextualises Ireland's decision to join EMS with other struggles within the Irish administrative structure. It also provides a longer term perspective particularly on the role that Anglo-Irish affairs played in Ireland's decision to join EMS. Unfortunately, empirical

²⁷ Hartmut Kaelble (ed.), *The European Way: European Societies in Ninteenth and Twentieth Century Europe*, (Berghahn Books, 2004), p. 293.

²⁸ Emmanuel Mourlon-Druol, 'Filling the EEC leadership vacuum? The Creation of the European Council in 1974', *Cold War History* Vol. 10, No. 3 (2010), pp. 315-339.

files are badly catalogued and this has not helped analysis. While an initial picture of Ireland's decision to join EMS has emerged, it is suspected that more information is yet to be found and uncovered which can add to this aspect of Ireland's membership. It would be important to continue that research in order to understand the effects that Haughey's new government had on Ireland's financial policy toward the EEC and the way it was interpreted in the Communities.

What is presented here is part of a rich and important story of Ireland's management of EEC membership after accession. The advantages of building a greater dialogue between academic disciplines have been underlined in this introduction. Similarly, the importance of analysing empirical files and contextualising Ireland's membership in its longer-term relations with the EEC prior to accession has been emphasised. It is hoped that this dissertation will supplement research in the field to date, perhaps stimulate further questioning and help identify areas where deeper analysis is necessary.

Chapter I

Ireland in a changing international arena

Introduction

Ireland had been officially neutral during the Second World War and recent scholarship has demonstrated a level of isolation and at times scarce professionalism in Ireland's engagement with its international colleagues. 1 But it also lacked access to important international organisations such as the United Nations and NATO in which to develop and orientate its foreign policy. Ireland had applied but was rejected for membership of the UN by the Soviet Union in 1946.² On the other hand, despite being very strongly supportive of the objectives of the Alliance, Ireland refused to join the North Atlantic Treaty Organisation (NATO) because membership and therefore allying with the UK would have entailed recognising the latter's legitimacy to control Northern Ireland.³ Deprived of UN membership until 1956, de Valera's government lacked an important context in which to develop and orientate its foreign policy. And even from within the UN after 1956, Ireland emphasised its independence and portrayed a moral superiority –out of touch with the realities of larger international events-which has been well documented by other historians.⁵ There was a lack of cohesion and professional policy formulation and Paula Wylie best surmises it, at the end of the 1950s, as "without a tradition of political idealism, and with the day-to-day pressures of running the government, flexible policy gave the appearance of unprincipled policy." An example of this haphazard policy making can be found in Ireland's application of de jure and de facto recognition of other states. It was applied unsystematically and rather vaguely in the 1950s and, in practice, was essentially adopted at will for political convenience". Indeed, policy making, according to Gary

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⁷ Ibid., p. 260.

¹ Eunan O'Halpin, *Defending Ireland* (Oxford University Press, 1999); Donal Ó Drisceoil, *Censorship in Ireland, 1939-1945: Neutrality, Politics and Society* (Cork University Press, 1996); Dermot Keogh, *Twentieth Century Ireland,* (Gill and Macmillan, 1994) pp. 157-9; Rosín Doherty, *Ireland, Neutrality and the European Security* (Ashgate, Burlington, USA, 2002), pp. 39-40; Tim Pat Coogan, *Eamon de Valera Long fellow, Long Shadow* (Hutchinson, London, 1993), p. 534.

² The Soviet Union used the fact that Ireland had not established diplomatic relations with Moscow as an excuse for this vetoing its membership. Joseph Morrison Skelly, *Irish Diplomacy in the United Nations*, *1945-1965*; *National Interests and the International Order* (Irish Academic Press, 1997), p. 14.

³ Dermot Keogh, 'Irish neutrality and the First Application for membership of the EEC, 1961-1963', in Michael Kennedy and J.M. Skelly (eds.), *Irish Foreign Policy 1919-1966, From Independence to Internationalism* (Four Courts Press, 2000), p. 287.

⁴ The British suspected that the Council might decrease their national sovereignty and were very hesitant to participate. With the help of US pressure, the UK agreed to take part. Ireland was also a founding member of the Council of Europe. Dermot Keogh, *Ireland and Europe 1919-89*, pp. 213-232.

⁵ Michael Kennedy and Joseph Morrison Skelly (eds.) *Irish foreign policy*, 1919-66.

⁶ Paula Wylie, *Ireland and the Cold War: diplomacy and recognition, 1949-63* (Irish Academic Press, 2006), p. 30.

Murphy, tended to be insular and isolationist.⁸ However, in light of international developments and the outbreak of the Cold War, haphazard foreign policy formulation no longer sufficed.⁹

International economic initiatives such as the European Economic Communities, and the European Free Trade Area (EFTA) – markets of 250 million people-necessitated a fundamental reappraisal of economic plans and policies. ¹⁰ Isolationism and exclusion from important international assemblies in the 1950s, as described above, was mirrored in Ireland's highly-protectionist economy. Indeed, as the decade advanced, economically, Ireland continued to lag behind its European neighbours and it was recognised that a new solution was necessary. International initiatives seemed to point towards a new type of inter-dependence and economic cooperation between nation states. ¹¹ Therefore, for Ireland, plans for economic development became linked with wider initiatives. That transition was complicated by Ireland's dependence on Britain as its main export market. The following section will demonstrate how economic development related to Ireland's foreign policy cohesion and its orientation toward the European Communities.

This chapter will demonstrate that economic development and planning became closely related to Ireland's foreign policy. Gaining and readying itself for the possibility of EEC membership became central to Ireland's policy formulation. It should be emphasised here that Ireland's accession was not inevitable but this text argues that the Irish government learned significant lessons during the 1960s and adapted policy to become closer to the Six. But discussion of the latter becomes more pressing as accession talks progressed and as the DFA rather than Finance led negotiations in 1971.

Ireland 1958-66

By 1956, from an economic point of view, Ireland lagged significantly behind its European counterparts. Historian, J. J. Lee, makes an important comparison between Ireland and Denmark in the 1950s. He emphasises that while, as a small open economy, Ireland was particularly susceptible to sharp changes in international terms of trade, the adeptness of their response to these forces helps determine the long-term relative performance of their economies. Denmark found herself, like Ireland, trapped by the same constraints on beef production with cattle numbers growing at similar

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⁸ Gary Murphy, Economic Realignment and the Politics of EEC Entry: Ireland 1948-72 (Maunsel Press, 2003), p.193.

⁹ Detailed legislation concerning foreign policy recognition was prepared in 1961/3 and implemented in the case of Kenya and Zanzibar in 1964. Indeed, between the end of the 1950s and the Conference of Ambassadors in 1973, that Irish foreign policy evolved and gained coherence. Paula Wylie, *Ireland and the Cold War*, p. 260.

Gary Murphy, *Economic Realignment*, p. 159.

¹¹ There was one important distinction because the European Communities. It was based on economic and political cooperation between France, Germany, Italy and the Benelux through the Treaty of Rome.

rates between 1949 and 1959. Furthermore, Denmark actually suffered more than double the Irish deterioration in trade between 1953 and 1957. Despite these circumstances, the Danes seized their chance in food processing and rigorous growth occurred in this and the engineering sector. Lee surmises that Danish industrialists were, therefore, in a better position to respond more effectively to international change than Ireland. Similar innovation was absent in 1950s Ireland. A possessor rather than performer ethos dominated Irish society and unemployment, emigration and poor social conditions were widespread in the Republic. ¹² Ireland continued to export mainly unprocessed agricultural produce to the UK. Indeed, despite nationalist dogma which emphasised Ireland's independence from the UK, it was overwhelmingly economically dependent on the UK export markets for its survival. ¹³ Earlier nationalist rhetoric which had sustained that political independence would almost automatically lead to economic independence had not come about. Even worse, without a sound and progressive economy, "political independence would be a crumbling facade." ¹⁴

The OEEC's 1956 annual report had been particularly critical in tone outlining that the "Irish government would have to fundamentally change its economic attitudes and, in addition, that it would have to redirect the economy away from protectionism if it were to remain viable and if it were to emerge from the severe economic crisis that it was both experiencing and facing." In parallel with these developments, a new generation of politicians and civil servants with new approaches emerged in the mid 1950s. Furthermore De Valera – who had championed protectionism and had served as Taoiseach almost uninterruptedly since 1932 – left office to become President of Ireland in 1959. Sean Lemass, Minister for Industry and Commerce, took over as Taoiseach in 1959. The latter and Thomas Kenneth Whitaker, Secretary for Finance, had been studying new ways of developing the future economy. This marked a significant break and opportunity to embrace new approaches and ideas. It should be noted that this transition was not always smooth and some resisted change. Ironically J.C.B. MacCarthy, who took over Lemass' former department as Secretary for Industry and Commerce in 1961, resisted liberalisation vehemently. This phenomenon was coupled with the beginning and gradual modernisation of Irish

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¹² JJ Lee, *Ireland*, pp. 521-523 and p. 530.

¹³ The 3rd OEEC report in 1959 for example recorded that Ireland's trade with the UK was £69,000,000 whereas it was only £2,320,000 with West Germany, £931,000 with France, £840, 500 with the Netherlands, £691,000 with Belgium, £470,000 with Italy and £359 with Luxembourg. These figures are available from "Rapports des conseillers commerciaux des etats members de la Communauté économiques européenne en posted an les pays tiers", 3rd Report (2 May 1950).

¹⁴ Ronan Fanning, 'The Genesis of Economic Development' in John F McCarthy (ed.) *Planning Ireland's Future* (Glendale, 1990), p. 96.

That change in thinking was implemented in the 1960s. FitzGerald, From Protectionism to Liberalisation, p. 35.

¹⁶ Programme for Economic Development 1958-72, Department of Finance.

¹⁷ Gary Murphy, *Promised Land*, p. 144.

society in the 1960s and 1970s as well the detachment of former church influence over state matters. However, it will be necessary to begin by outlining Ireland's economic policy- one which integrated Ireland into the wider world economically.

Engaging with the wider economic world

Former OEEC advice to diversify markets became even more urgent because by 1959, its neighbour and principal export market-the UK-began to look outward and became a founding member of the European Free Trade Agreement (EFTA). 18 This worried Irish councillors because this arrangement would suppress the special treatment enjoyed by Ireland under the Anglo-Irish agreements of 1938 and 1948 and place Irish products on an equal footing and in direct competition with those from other EFTA countries. Secondly, Ireland could potentially be squeezed out of its export market by protective barriers imposed by EFTA on the one hand and by the European Communities on the other. 19 Civil servants sought advice and discussed whether Ireland should pursue EFTA membership.²⁰ However, new research highlights that EFTA membership was not an option for Ireland. The UK wanted to maintain its Anglo-Irish agricultural preferences and secondly it did not want Ireland, through requesting agricultural concessions, to delay agreement on an industrial FTA.²¹ Not only were Sweden and the UK actually opposed to her membership in 1959 but by 10 March 1960 it was reported that Denmark had actually demanded Ireland's exclusion in exchange for its collaboration in EFTA.²² Ireland's exclusion from EFTA allowed Danish products equal if not better access to Britain's large import market particularly for agricultural products. That rivalry between Denmark and Ireland in the British market is not central to this dissertation but it is a significant theme because it recurs throughout the 1960s and had an influence on Ireland's accession to the EEC.

Although the plans for economic expansion and market diversification were under way in the Department of Finance, the UK was still overwhelmingly its largest trading partner. In 1958, Ireland had exported 76.9% of its total exports to the UK while 56.3% of its total imports originated in the UK. Senior civil servants recognised the danger of getting locked out of that market place and now advocated establishing a closer bilateral relationship with the UK. Earlier nationalist rhetoric which had sustained self-sufficiency and independence from the UK came full circle and a bilateral trade agreement was signed in 1960. The first was disappointing from Ireland's point of view and

¹⁸ Ireland considered joining EFTA but after it was decided that agriculture was not going to be part of EFTA, Irish policy makers reverted to the old formula of negotiating independent trade agreements with Britain.

¹⁹ Gary Murphy, *Economic Realignment*, p. 190.

²⁰ Discussions with Walter Hallstein, President of the Commission, as to whether Ireland should join EFTA in July 1960. FitzGerald, *From Protectionism to Liberalisation*, p. 145.

²¹ FitzGerald, From Protectionism to Liberalisation, p. 90.

²² Mervyn O'Driscoll, Dermot Keogh and Jerome aan der Wiel, *Ireland through European Eyes*, pp. 1-8.

re-affirmed that Ireland's national interests were not a priority for Britain and indeed it was considered a "milestone around [their] necks".²³

Ireland's position and economic vulnerability as the 1960s dawned have been emphasised above. Economic development became increasingly related to Ireland's foreign policy cohesion. That reality was not lost on the Department of External Affairs' foreign trade section which described Ireland's bargaining power as meagre. Excluded from EFTA, Ireland was now forced to engage with other countries in a bid to improve its trading terms. And its trade deficit with the Six was substantial at ratios with West Germany of 3:1 and with Italy at over 3:1.²⁴ It was also increasingly likely that any future trade negotiations would be the collective Six and third countries such as Ireland. Three programmes for Economic Expansion, introduced between 1959 and 1972, all recognised the necessity for Ireland to engage substantially more with Western Europe in trade terms if it were to prosper economically. During this period, therefore, the Irish government looked further but not exclusively beyond its traditional markets. It, therefore, made moves in the summer of 1959 to establish a formal diplomatic mission with the European Communities in December 1959.²⁵ Improved trading terms rather than EEC membership were sought at this stage by the Irish government. These moves marked a change away from former isolationist policy toward further engagement with other countries.

Other historians have demonstrated how the Department of the Taoiseach became increasingly involved in foreign affairs concerning relations with the EEC and EFTA. Instead, Frank Aiken's (Minister for External Affairs) attention remained focused on Ireland's relations with the United Nations.²⁶ The Taoiseach's personal involvement in Ireland's relations particularly with the EEC would remain throughout the 1960s and early 1970s. It is difficult to say whether Lemass' interest sprung from a genuine interest in EEC affairs or whether Aiken's disinterest necessitated his involvement.²⁷ The former seems to be the agreed consensus among Lemass' official biographers but it is likely that Aiken's attitude certainly helped. FitzGerald wrote that by the beginning of the 1960s two main sets of changing realities – one political in the form of NATO and security while the other was economic i.e. OEEC trade – emerged for the Irish government. These demanded consideration.²⁸ This marks an important shift in Ireland's history and evolution of policy areas after WWII. While NATO membership had been dealt with primarily by the Ministry

²³ Maurice FitzGerald, From Protectionism to Liberalisation, pp. 13-16.

²⁵ Bilateral links with the European Communities were initially established from the Embassy of Ireland to Belgium. Later a separate mission was opened. Denis McDonald was its first Ambassador. Ibid., p. 92.

²⁶ Maurice FitzGerald, 'Irish neutrality and European integration, 1960-1972', in Michael Gehler & Rolf Steininger (eds.), *Die Neutralen und die europäische Integration* (Vienna: Böhlau Verlag, 2000), p. 147. ²⁷ Brian Farrell, *Sean Lemass* (Gill and Macmillan, 1983), pp. 108-112.

²⁸ FitzGerald, From Protectionism to Liberalisation, p. 92.

for External Affairs, Finance managed trade.²⁹ However, by the late 1950s and due to the establishment of organisations such as EFTA and the EEC, trade became increasingly bound up with external affairs. That would have important consequences for Ireland's subsequent application for membership of the European Communities. And while EFTA was essentially a trading bloc, the European Communities was a political entity. Further association with the latter would also have repercussions for Ireland's politics particularly in relation to neutrality and NATO membership.

Within a short period, however, EFTA lagged behind the European Communities and some of the Seven, including the UK, began to consider the possibility of joining the Six in 1960. Other historians have demonstrated that the British were hesitant in revealing plans to the Irish government concerning accession to the European Communities.³⁰ It appears that there was considerably more contact and co-operation between Denmark and the UK in connection with plans for EEC membership.³¹ Despite this, diplomatic reports from Ireland's embassy in London indicated that The UK was considering the possibility of EEC membership by the summer of 1961.³² The British decision to eventually apply for EEC membership in July 1961 would have significant repercussions for Ireland's foreign and economic policies. As explained above, Ireland had already been locked out of EFTA and officials did desire to see that situation repeated. Its trade deficit with Europe was a concern but the main fear remained losing its main export market in the UK. This can be demonstrated by analysing Irish export figures to the UK which accounted for 75.21% of total exports while only 1.26% was destined for the rest of EFTA. On the other hand, 5.82% were directed to the European Communities.³³ Exclusion from the EEC would place Ireland at an even greater disadvantage and Finance cautioned that 'it would be an economic disaster for us to be outside the community if Britain is in it. 34

Bearing in mind this economic situation, Lemass announced to the Dáil on 5 July 1961 that "the government had made steps to inform each of the six governments of the European Economic Communities that, in the event of the United Kingdom applying for membership of the EEC, we [Ireland] would also apply". However, traditional nationalism had emphasised independence from the UK and applying for accession, conditional on the outcome of British negotiations, seemed to contradict those earlier values. Indeed, disentangling that traditional nationalism and placing it in the context of economic reality would not be an easy task. Historian, Joe Lee explains Lemass'

²⁹ Gary Murphy, *Promised Land*, p. 276.

³⁰ Maurice FitzGerald, From Protectionism to Liberalisation, pp. 330-331.

³¹ Ibid., p. 127.

³² Marie-Thérèse Bitsch, *Histoire de la Construction Europeenne* (Brussels, 1999), p. 142.

³³ Maurice FitzGerald, 'Ireland and the EEC, 1957 to 1966' (PhD dissertation, European University Institute, 1999), p. 414

³⁴ 'Whitaker keen to exclude NATO option from EEC talks', *Irish Times*, 2 January 1993.

³⁵ Sean Lemass addresses The Dáil, Dáil Debates, 5 July 1961. [Cited 1 May 2014] http://historical-debates.oireachtas.ie/en.toc.dail.html

struggle as manipulating "the air of crisis in the late fifties to instil a new sense of national direction, to elevate the performer principle at the expense of the possessor principle, was striking in its audacity and little short of utopian in its ambition". The UK's decision to apply for membership was in one way unwelcome in that it undermined Ireland's capacity to make policy in an independent fashion. But circumstance, the success of the Communities and the possibility of British adhesion without Ireland, directly challenged the certainties on which traditional policies had been based. Notwithstanding, Ireland's accession depended on the British outcome. Moreover, Ireland's position was marginal to the member states of the EEC. "It contrasted sharply with the internal cohesion of the Community even if Britain and Denmark had been included". Therefore, Ireland's former isolationist economic policy was forced to engage with the outer world. By the late 1950s, economic development related to Ireland's foreign policy cohesion and its orientation toward the European Communities.

From Economic Protectionism towards Liberalisation

Since 1958 and the publication of *Economic Development*, the Irish Government had been looking for ways to improve its economic future. EEC membership emerged as an essential part of that plan. And while the immediate application was in a sense "an emergency response to external changes over which the government had no control, this merely speeded up a process toward liberalisation that the government had already embarked on". ³⁸ Furthermore, EEC membership had the potential of placing Anglo-Irish relations in a larger pool of member-states. Traditional markets would be protected through simultaneous accession and there was considerable potential to strengthen relations with the Six. Additionally, the government was also aware that membership would present a set of new opportunities for Ireland. As well as diversifying markets, plans for establishing a common agricultural policy, economic and social policy – all strategically important and attractive to Ireland – were outlined in the Treaty of Rome. As the decade advanced, the Communities had been chosen as the vehicle in which Irish economic growth could be best achieved. As well as being of strategic economic importance, EEC membership had a potentially greater opportunity to "exercise political independence". ³⁹

It has been mentioned above that while the timing of Britain's first application for membership of the Communities was unwelcome because it undermined Ireland's capacity to make policy in an independent fashion, its delayed enlargement will be demonstrated to have been advantageous to

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³⁶ J.J. Lee, *Ireland*, p. 400.

³⁷ Gary Murphy, *Economic Realignment*, p. 226.

³⁸ Ibid., p. 227.

³⁹ Ibid., p. 226-8.

Ireland. That delay gave Ireland an opportunity to adapt and modernise. Intensive efforts had to be made particularly in light of Ireland's first application for membership of the European Communities. On that occasion, Ireland had managed to make some miscalculations in its relations with the Communities. Many of those were re-mediated by 1967 through intensive efforts by dedicated diplomats. The priority and consistency of resources utilized to resolve mistakes made earlier in 1961 is significant. Indeed, correcting earlier mistakes can be traced uninterruptedly from 1961 until accession and beyond. Indeed, the 1960s will be demonstrated as being significant and having repercussions as to how Ireland's relations with the Communities developed after accession.

Policy positions in certain areas, where disadvantageous to the possibilities for Ireland's accession, were not only adapted but reversed. It is not this text's function to re-narrate previous findings but the following section will trace how significant lessons were learned and policy positions adapted to place EEC accession and readiness for membership at the centre of Irish policy formulation in the 1960s. Analysing those adaptations indicates the emerging importance and centrality of EEC accession to Ireland's evolving foreign policy. In order to explain the transition it will be necessary here to briefly relate the contents of Ireland's first application for EEC accession and subsequent *aide-mémoire*. Ireland's first application and subsequent *aide-mémoire* emphasised its special position as industrially under-developed with serious social, emigration and economic problems. Its application was dependent on Britain's accession. Ireland also requested help to develop and realise its *Programme for Economic Expansion*. In a subsequent *aide-mémoire* it emphasised that it was not in a position to undertake the full political obligations of the treaty due to its neutrality. These moves made a number of diplomatic mistakes, which lacked an understanding of the larger political ideals of the Communities, and gave the wrong impression among the Six.

Perhaps this information was misunderstood or the political nature to the Communities was simply underestimated. This seems puzzling because research by Maurice FitzGerald demonstrates that the Irish were aware of the political implications of the arrangement binding the Six but that message did not appear to penetrate and influence Irish policy toward the Communities. At the same time, Ireland may have envisaged the Communities as evolving into a trading bloc closer to EFTA rather than a political entity as indicated at the Treaty of Rome. It should be noted here that this over-emphasis may be accounted for by Finance's central role in the first application. Recent research demonstrates that the DEA had been fudging on the application since December 1961 and Finance had largely managed the application's formulation. Frank Biggar, Ireland's Ambassador to

⁴⁰ Maurice FitzGerald, From Protectionism to Liberalisation, pp. 142-144.

the Community, had attempted to intercede advising that the EEC was first and foremost a political entity but Finance's more fiscal approach won out.⁴¹

In summary, Ireland's first application tied itself into its negotiations being dependent on British developments; it communicated greed by emphasising financial assistance and doubt concerning the wider political ideals of the Communities; it gave the impression of inflexibility regarding Ireland's commitment to neutrality. Ireland's application was received lukewarmly in the Communities and caused confusion in some capitals. It was the only country of the four original applicant member states not to hold negotiations with the EEC in its first attempt at enlargement. But having received these negative reactions, the Irish government placed an "uppermost value on economic development, and by implication European integration, which came before any fundamental attachment to neutrality, an attachment which was more deeply rooted in rhetoric rather than in reality". The Commission reasoned that because Ireland's application was dependent on a positive outcome from British negotiations, it would be delayed until after those discussions. Ireland was therefore left in the dark while discussion concerning Britain, Denmark and Norway's applications for membership got under way. The harsh reality that the Communities could and would continue without Irish membership began to reverberate with Irish civil servants. The consequences of British accession without Ireland would be disastrous for the Irish economy.

To make matters worse, Ireland's first application had hit the wrong notes with the institutions. This is evident by President Ludwig Erhard's correspondence with Dublin from August 1961. Erhard sought clarification in particular concerning Ireland's commitment to the political ideals of the Communities as outlined in the *aide-mémoire*. Former research has demonstrated that these issues, as outlined in this document, set Ireland apart from other member states and contributed to the Council delaying the formal opening of negotiations with Ireland. So concerned had Lemass become at the reports from Irish embassies about the problems of the Irish case, that he sent Whitaker (Finance) and Cremin (DEA) on a tour of the capitals between 5 and 13 September 1961. Although they were very well received and engaged in high-level talks in all the capitals, Whitaker and Cremin concluded that the political dimension of the Irish application was a source of unhelpful speculation among the Six. On instructions from Lemass, Cremin directed the Irish diplomatic service to counter

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⁴¹ Gary Murphy, *Promised Land*, pp. 273-275.

⁴² Maurice FitzGerald, 'Irish neutrality and European integration, 1960-1972', in Michael Gehler & Rolf Steininger (eds.), *Die Neutralen*, p. 147.

⁴³ Britain applied for membership on 10 August 1961 and negotiations opened on 8 November 1961. In contrast to Denmark and Norway, Ireland applied on 31 July 1961 but formal negotiations never actually opened. DJ Maher, *The Tortuous Path The Course of Ireland's Entry into the EEC, 1948-1973* (Institute for Public Administration, Dublin, 1986), p. 138.

p. 138.
⁴⁴ Subsequently, Irish officials were to feel that the absence of any reference to the country's commitment to the political dimension of the EEC had been a mistake which they were obliged to correct throughout the latter part of 1961. Ibid., pp. 136-137.

⁴⁵ Ibid., p. 142 and p. 137.

fears about Dublin's willingness to play a full and unqualified role in an evolving EEC.⁴⁶ Lemass' address to the Commission on 18 January 1962 in Brussels marked a reversal in policy on neutrality and NATO membership. Those principles could be sacrificed if they endangered the possibility of membership.⁴⁷

In any case, enlargement was prevented by de Gaulle's veto in January 1963. In essence, however, Ireland's first application for membership of the communities was essentially ignored by the Six. It failed not only because the UK's bid was vetoed or because of its military neutrality or political convictions but because it was not ready economically. It relied almost entirely on the UK for trade. In 1963, 50.93% of Ireland's imports originated in the UK while 72.39% of its exports went to the UK. It depended almost totally on agriculture and its industrial base remained fragile.⁴⁸ And even if these economic circumstances did not suffice, the UK's fruitless efforts to join the EEC sealed the Irish application's fate.

Learning from Ireland's first application for EEC membership

After the veto, Irish civil servants and politicians concentrated their efforts internally waiting for over a year to arrange another meeting at ministerial level with the Communities. ⁴⁹ That gap may have also indicated an initial sense of disappointment and disorientation immediately following the veto. However, over the next decade Irish decision-makers set about adapting its industry, its relations with Britain and the European Communities and modernising. At the same time, it would become important that it improved its relations with the Six and countered mistaken impressions, as outlined above, conveyed to the Communities on the occasion of the first application. Here, there is a departure in Ireland's relations toward the Communities. As the 1960s progressed, a determination and cohesion emerged which was moulded around firstly gaining membership and secondly readying itself in the event of adhesion. Irish policy makers were challenged at steering its national foreign and economic policy objectives toward the Community track and be ready to board at the appropriate juncture. Ireland's commitment to those political ideals became even more important with the evolution and development of the Communities beyond an economic area and into the European Community (EC) in 1967. ⁵⁰ For Ireland, it would be imperative to improve

⁴⁶ Ibid., p. 144.

⁴⁷ Dermot Keogh, 'Irish Neutrality', in Michael Kennedy and Joseph Skelly (eds.), *Irish Foreign Policy 1919-1966*, p.285. Entire text available in D.J. Maher, *The Tortuous Path*, pp. 375-6.

⁴⁸ Maurice FitzGerald, *From Protectionism to Liberalisation*, p. 331. Figures cited from Maurice FitzGerald, 'Ireland and the EEC 1957-66' (PhD dissertation, European University Institute, 1999), p. 416 and p. 418.

⁴⁹ There was no contact at ministerial level from November 1963 until January 1975. Maurice FitzGerald, *From Protectionism to Liberalisation*, p. 244.

⁵⁰ Desmond Dinan, Europe Recast p. 86.

relations with the Six and dispel any doubts about its readiness for membership and its commitment to the political ideals of the EEC.

Irish policy makers had two decisive advantages from January 1963. Because enlargement had been stalled, they had some time to continue economic adaptation. Secondly, experience, even negative, taught significant lessons. Even adverse feedback from the aide-mémoire in August 1961 re-enforced which areas within Irish policy were most problematic for the Six. They had a clearer idea of what was expected of them from the Six and were increasingly focused on what areas should be improved or adapted. Similarly, they became more familiar with the workings of a large institution and its composite sections. On a practical level, civil servants used this period to become more competent in French – the institution's 'lingua franca'. Time would also help diplomats to improve and develop relations with the Six. Feedback from the Six was vague and sometimes negative during this period. Indeed, Denis Corby reported unfriendliness among European colleagues in March 1962 at a Conference in Munich where "the attitude of a considerable body of parliamentarians is one of indifference – and in some cases unfriendliness. Among some of the more influential, including leaders of the European Movement such as Maurice Faure and Pierre Wigny, the attitude toward Irish membership appeared definitely unfriendly". 51 Similarly, Irish diplomats also worked on developing closer relations among the Six within larger organisations like the United Nations.⁵²

The establisment of AIFTA

Ireland's economic vulnerability has already been outlined. That message was drilled home by the prospect in 1959 of being locked out of both EFTA and EEC export markets. Furthermore, Ireland's over-reliance on trade with the UK as well as its lack of industrial development had been emphasised in its contacts with the EEC as well as its virtual exclusion from negotiations. It immediately took steps to survey 78% of all manufacturing industry in order to detect deficiencies in the production and marketing side of industry. Shortcomings included: small scale of units; dated equipment; lack of specialisation; poor marketing and insufficient attention to the development and servicing of export outlets. The government responded with an "extensive package of state aids which enabled industry to improve its performance substantially and allowed the government prepare for entry with a stronger economy than had been the case in 1961". There was also consistency; determination and importantly innovation in the style of policy formulation. Initiatives

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⁵¹ Denis Corby reports to the Government on the Munich Conference of the European Movement (7/8 Marcy 1962) on 30 July 1962. University College Dublin (UCDA), Irish Council for the European Movement (ICEM), UCDA ICEM 204/76

⁵² John Walsh, *Patrick Hillery*, p. 160.

⁵³ Gary Murphy, Economic Realignment, p. 231.

such as; access to new technology and training; tax relief on any additional export earnings basically set in place the required framework for promoting Irish goods abroad whether that was through diplomatic corps or semi-state bodies such as AnCO, Bord Fáilte, Córas Trachtála Teoranta and the Industrial Development Authority (IDA). The Minister for Industry and Commerce, Jack Lynch warned in February 1964 that 'it would be completely erroneous to think that the postponement for some number of years of our entry into the EEC would extend the period available for the modernization and re-orientation of Irish industry'. ⁵⁴ He stressed the need to avoid complacency and emphasized 'the pace of modernization and re-equipment of industry must be fully maintained and that all realize their considerable export potential'. ⁵⁵ The world was moving towards freer trade and the hope of a heavily protected home market was a 'self-deception'. Indeed, the OECD report outlined some improvement in Irish performance by 1967. The situation, by the mid 1960s, had improved greatly since the 1950s; GNP per head was just over 62.5% higher. There were, however, balance of payments difficulties and it concluded that "it was not an economic miracle over which Lemass was presiding, more like a passable economic recovery."

During the 1960s, Maurice FitzGerald concludes, the Irish government was preparing the nation for future European integration, though the UK was of course omnipresent in the practicalities and realities of its foreign economic policy. ⁵⁷ Ireland showed some initial interest in adhering to the General Agreement on Tariffs and Trade agreement (GATT) in 1965. ⁵⁸ However, joining GATT might mean reducing Ireland's isolation from international trade, the bilateral Anglo Irish Agreements of 1938, 1940 and 1960 would be rendered illegal as a member of GATT. If Ireland wanted to preserve its privileged position in the British marketplace and adhere to GATT it would have to firstly establish an Anglo-Irish free trade agreement before it began formal discussions with the international body. Senior civil service and ministerial staff therefore decided to concentrate on establishing a free trade area with Britain at this stage. Therefore, Anglo-Irish affairs, for a short period took priority over GATT⁵⁹ and the EEC. ⁶⁰

Maurice Fitzgerald meticulously details the negotiations between Dublin and London leading to agreement in 1965.⁶¹ In summary, the agreement introduced a liberalized trade framework between Dublin and London. The agreement secured trading relations and ensured that individual deals could not be done with the EEC. There was a significant departure from former

⁵⁴ 'No Extension of Time available to adapt industry', *The Cork Examiner*, 7 February 1964.

⁵⁵ Ibid

⁵⁶ Maurice FitzGerald, From Protectionism to Liberalisation, p. 285.

⁵⁷ Ibid., p. 329.

⁵⁸ Maher *The Tortuous Path*, pp. 114; 116.

⁵⁹ Ibid., pp. 185-195.

⁶⁰ Fitzgerald, *From Protectionism to Liberalisation*, p. 243.

⁶¹ Ibid., pp. 237- 291.

bilateral Anglo-Irish relations and Ireland favoured the establishment of a "free trade area rather than just enhancing former bilateral agreements". The aim of this, Gary Murphy writes, was to demonstrate that "it could compete on a level playing field with the British". However, it had wider implications and demonstrated the Irish government's shift away from protectionism and towards liberalisation and the Community model principally intended to expedite EEC entry. ⁶² That orientation is even more evident by examining the contents of Charles Haughey's (Irish Minister for Agriculture) meetings with Commission representatives concerning AIFTA. Those discussions presented Ireland's case for making this agreement with the UK but also sought to confirm that its terms were compatible with Ireland's potential membership of the EEC. ⁶³

Establishing AIFTA also demonstrated prudence on the Irish government's part because it was slowly adapting toward the international economic world without compromising its principal export markets. Once Ireland had firmly stabilised Anglo-Irish trade it could and did tackle international agreements such as GATT. But AIFTA also had significant and even more farreaching repercussions for later attempts at membership. It rationalized the existing relationship and brought the two countries closer together in relation to future applications for EEC membership. British and Irish negotiators would know exactly where each stood regarding Anglo-Irish trade and know exactly how much or little either could offer to give at the negotiating table with the EEC. Thus friction between Dublin and London, experienced in 1961/2, could be more easily avoided during any new round of EEC membership talks.⁶⁴ That closer contact also benefited Anglo-Irish relations too regarding Northern Ireland.⁶⁵ During this period, Ireland's policy toward NI also gained coherence. Irish and NI officials met at UN meetings during this period and plans were instigated for official meetings to improve cross-border co-operation.⁶⁶

Re-adjustment of political ideals toward those of The Six

It has been outlined above that Ireland had adopted a policy of neutrality or non-alignment during the Second World War. It re-affirmed this policy stance when it rejected NATO membership, due to Britain's perceived occupation of Northern Ireland, in 1949.⁶⁷ However, that status distinguished Ireland from the Six and caused confusion in the European Communities. Furthermore, Ireland had

 ⁶² Gary Murphy, *Economic Realignment*, p. 231; Maurice FitzGerald, *From Protectionism to Liberalisation*, p. 276
 ⁶³ Maurice FitzGerald, *From Liberalisation to Protectionism*, p. 244.

⁶⁴ Ibid., p. 237.

⁶⁵ Maurice FitzGerald quotes Lemass at a meeting in Oxford relating that Irish and UK ministers and officials meeting regularly in the context of both bilateral trade and European Integration was immensely helpful in developing an improved working relationship. Ibid., p. 293.

⁶⁶ Ibid., pp. 303-304.

⁶⁷ Bernadette Whelan, *Ireland and the Marshall Plan 1947-1957* (Four Courts Press, Dublin, 2000).

indicated that it could not commit to the European Communities' political ideals. By July 1962, Lemass announced Ireland's willingness to relinquish its neutrality if that was a pre-requisite to membership and its commitment to the Communities's political ideals. 68 Lemass recognised that a "military commitment will be an inevitable consequence of our joining the Common Market and ultimately we would be prepared to yield even the technical name of neutrality". ⁶⁹ This marks an important shift in Irish foreign policy. Irish diplomacy "turned from being dedicated to political action within the UN, that is, 'active neutrality, to being focused on Europe, 'military neutrality." Indeed, from 1959 and after Lemass became Taoiseach, Aiken was increasingly peripheralised. Foreign policy became increasingly focused on the European Communities rather than the UN. But military neutrality was a useful device to push forward the State's economic performance while not making any unnecessary military alliance. Irish political strategy moved increasingly behind larger developments in the EEC rather than, as previously, toward the UN. Therefore, Ireland's "neutrality was undergoing a process of dilution" due to the European integration policy that it was pursuing. 70 Indeed, Ireland's membership was perceived increasingly as an economic necessity. And economics was prioritised over politics. If necessary, policy makers were willing to sacrifice independent foreign policy to achieve that goal. However, this also established a pattern among diplomats who were instructed to express Ireland's commitment to the Communities ideals at every possible opportunity.

Economic development, cohesion of foreign policy and its orientation toward the European Communities has been examined above. By the mid-1960s government policy making related to culture and society also altered radically. The government began to look outwards and increasingly toward Europe before implementing improvements. Former OEEC reports had highlighted Ireland's need to modernise.⁷¹ Indeed, it was also important for Ireland's application for its relations with the Communities and any subsequent applications for membership that it was seen to be modernising. Government urban housing plans, the extension of electricity service and infrastructure were all part of these improvements.

The shift in policy making towards the EEC was reflected in the changes in structure and attitudes to education and substantial funds were invested from the early 1960s.⁷² Media and public access to information concerning government policy improved with the opening of the Economic

⁶⁸ Dermot Keogh 'Irish Neutrality' in Michael Kennedy and Joseph Morrison Skelly (eds.), *Irish Foreign Policy*, p. 285

⁶⁹ DJ Maher, *The Tortuous Path*, p. 152.

⁷⁰ Maurice FitzGerald, From Liberalisation to Protectionism, p. 190.

⁷¹ Ibid., p. 35

⁷² Radical syllabus reform took place in 1966 and new colleges advocating vocational training were opened in 1972. Terence Brown, *Ireland: A Social and Cultural History, 1922-2002* (Harper Perennial, 2004), pp. 237-8.

and Social Research Institute in 1960 and a national television station RTE in 1962.⁷³ Five thousand book titles were released from the limbo imposed by censorship in 1967⁷⁴ and new publications attempting social investigation flourished such as the Economic and Social Review and Catholic periodicals including 'Christus Rex', the 'Furrow' and 'Doctrine and Life'. 75 Maurice FitzGerald described Ireland's population as apathetic toward EEC membership at the time of its first application in 1961. As mentioned above, there was a certain amount of communication concerning the advantage of accession to the Communities with non-state actors in 1961 but that was now extended to bring the Irish electorate on board. There was a gradual engagement with the public concerning Foreign Policy aims and objectives. This transparency, which contrasted starkly with de Valera (former Taoiseach 1932-1959) and Walsh's earlier secrecy, was complimented by the Irish Council for the European Movement's efforts to debate Ireland's future within the Community. The ICEM organised lecture circuits directed at interest groups such as various branches of the IFA and industrial sector as well as issuing information pamphlets to the general public concerning the possible implications for Ireland after adhesion.⁷⁷ Other historians have highlighted how both the Irish Farmer's Association and the industrial sector were informed and convinced of the advantages of future accession. 78 That clarity contrasted strongly with Norwegian efforts to play down the political implications of integration into the Communities.⁷⁹

Towards the Second Application and beyond

Learning processes and experience has been mentioned above and Ireland's second application was significantly different from that submitted in 1963. The latter was therefore made in very different circumstances than the first. That time lag provided an essential opportunity to allow for further transition in Anglo-Irish relations, Irish trade and in Irish society at large. Concrete progress had been made in terms of Ireland's relations toward the European Communities as well. It accredited a separate diplomatic mission to the European Communities in 1966 signalling the importance that Ireland afforded its relations with the institutions. An inter-departmental committee was also

⁷³ Declan Kilbred, *Inventing Ireland the literature of the Modern Nation* (Random House, 1995), p. 566.

⁷⁴ For a complete list of titles banned see Censorship of Publications Act 1929-67 (Published by the Censorship Board, 1946). Declan Kilbred, *Inventing Ireland*, p. 570.

⁷⁵ Maurice FitzGerald, From Liberalisation to Protectionism, p. 244-5.

Miriam Hederman O'Brien, *The Road to Europe: Irish Attitudes 1948-1961* (Irish Public Administration, 1993).
 UCDA ICEM P204/86.

⁷⁸ Gary Murphy, *Economic Realignment*, p. 91 and p. 123.

Norway's policy toward the EEC 1965-1971 is explained by Dag Axel Kristoffersen, 'Norway's Policy toward the EEC The European Dilemma of the Centre Right Coalition (1965-73)' in Karin Rucker and Laurent Warlouzet (eds.), *Quelle(s) Europe(s)? Nouvelle approaches en histoire de l'intégration Européenne* (Peter Lang, Brussels, 2006), p. 219

⁸⁰ For a detailed account of the differences between Ireland's first and re-activated applications in 1963 and 1967 see Aoife Keogh, 'Ireland's Second Application for Membership'.

formed to discuss strategy toward the Communities. Diplomats such as Frank Biggar and Brendan Dillon would specialise in Community Affairs. Hugh McCann is another important example. He had been Assistant Secretary to Frank Aiken in 1958 and became Secretary of the DFA in 1963 and stayed in this role until 1974. A further White Paper on the European Communities was issued in the autumn of 1966. The latter was very different to the former one published in 1961 which had served for public consumption in claiming that Ireland's decision to apply for membership was not a consequence of British pressure.81

The second or subsequent re-activated application in 1967 was significantly different from that delivered in 1963. Firstly, in order to avoid the original long delay in the opening of negotiations the first time round, Irish policy makers re-moulded and re-activated the first application. They worked from the presumption that the Communities had agreed to open negotiations. 82 Unlike the 1961 attempt, the application was submitted, after substantial cooperation and discussion with the British. 83 Irish officials, having learned from the Commission and member states' reaction the first time round, did not lay as much emphasis, as it had previously, on merely the economic aspects of membership. Instead it paid close attention to the EEC's political goals and re-iterated its commitment to the political ideals of the Community. That application was dependant on the outcome of talks with Britain which faltered in 1967.84 However, there were some encouraging signs. The state had made some progress since 1963 because 'le conseil part de l'idée que les nouveaux Etats membres acceptent pleinement les traités et les decisions adoptées par la Communauté'. 85 Irish policy-makers interpreted these communications with cautious optimism. In contrast to disorientation at its first rejection in 1963, the Irish government acted immediately after the second French veto to continue making the Irish case for membership. But before examining Ireland's reaction to the second veto, it will be necessary to ascertain the Commisssion's internal opinion of Ireland's application by examining Commission files.⁸⁶

⁸¹ Dermot Keogh, Ireland and Europe 1919-89, p. 232.

⁸² The UK and Denmark applied for membership on 10 August 1961 and negotiations were opened on 8 November 1961 and 30 November respectively. Norway applied on 30 April 1962 and negotiations opened on 12 November 1962. Ireland on the other hand was the first to apply on 31 July 1961 but negotiations never opened. Although there was confirmation that negotiation would open in late 1962 but they never officially opened. D.J. Maher, *The Tortuous Path*, p. 138.

83 Discussion between London and Dublin on 30 April 1967 led to the submission of two applications in May 1967. DJ

Maher, The Tortuous Path, p. 212.

⁸⁴ Commission minutes, Edoardo Martino (EM) collection in Historical Archives of the European Union (HEAU), HEAU EM 159.

⁸⁵ Communication to Edoardo Martino on the Council's decision to reject EEC enlargement, 20 December 1967. There is also a brief summary of the Council meeting, HEAU (Historical Archives of the European Union, Florence) EM (Edoardo Martino) HEAU EM 169.

⁸⁶ Report entitled Rapport des Conseillers Commerciaux des Pays des Communautés Européennes was presented to Edoardo Martino on 11 July 1967, p. 19, HEAU EM 134.

An internal perspective, prepared by senior Commission officials, on the state of the Irish economy was positive in general but recognised that problems persisted. The economic and then political aspects of that report will be examined here. The reports concluded that "la question de l'adhésion ne pose plus de problème sérieux pour le pays et il est probable qu'il adhérera dans les mois a venir."87 However, the committee did point out a number of important factors which needed greater improvement. "On remarque qu'une réduction substantielle du déficit a pu être atteinte en 1966, grâce aux measures de freinage introduites par le gouvernment en 1965. C'était le plus petit déficit enregistré depuis 1962."88 On the other hand, however, Ireland had, according to the Committee's report, failed to maintain during 1966 the measures of deflation that had been imposed in 1965. Ireland, despite having an objective of reaching 4% annual growth as documented in the second programme for expansion, national production which stood at 2.5% in 1965 has decreased to 1% in 1966. Furthermore, according to the report: "l'année 1965 pouvait être considérée comme une année de progrès pour les exportations de la C.E.E. vers l'Irlande, l'année 1966 au contraire a été marquée par une régression très nette." The report went so far as to say that Ireland wanted the CAP (Common Agricultural Policy) to act as a lifejacket for its failing industry. "Il est important de le signaler puisque les Irlandais ont tendance à attribuer à la polititque agricole de la C.E.E. les mécomptes enregistrés sur le marché du bétail et de la viande.' However, it did acknowledge that Ireland had reduced its balance of trade towards the Six considerably from – £28.3 million in 1965 to -£23.5 million in 1966. The report also records other positive moves for example that the "Irish Export Board's" budget has been expanded by £2.5 million to reach £4.5 million in 1966.89

The Irish Export Board also opened offices in Melbourne and Port of Spain to promote Irish trade with Australia and Trinidad and representatives from the Irish Exporters Association's had visited Czechoslovakia, Poland and Hungary to investigate new markets for Irish produce. ⁹⁰ It included a reference to the Minister for Industry and Commerce, George Colley's visit to Austria to promote trade in September 1966 and to the USA in October 1966. It noted that in April 1967 a delegation from the Japanese Chamber of Commerce in London had visited Ireland with a view to further future investment in that country. Despite such positive moves the report also highlights that AIFTA has increased Ireland's dependence on Britain "cette dépendance s'est encore accentuée par la conclusion du Anglo-Irish Free Trade Agreement". ⁹¹

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⁸⁷ Rapport des Conseillers Commerciaux des Pays des Communautés Européennes was presented to Edoardo Martino on 11 July 1967, p. 19, HEAU EM 134.

⁸⁸ Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, p. 13, HEAU EM 134.

⁸⁹ Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, p. 19, HEAU EM 134.

⁹⁰ The report also refers to increased activity in the USA, Austria and Japan. Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, HEAU EM 169,

⁹¹ Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, HEAU EM 169.

The report also contained significant commentary concerning Ireland's commitment to the political ideals of the community. The wording is not explicit but it pointed out that the Irish government appeared to avoid full parliamentary debate on Europe until after the Taoiseach's tour of the Six. The report specified pointed out Ireland's possible membership of the EEC had only been mentioned fifteen times in the Dáil since the beginning of 1967. When it was mentioned, the report noted that it was brought up in the context of parliamentary questions. "Le gouvernement ayant même refusé a l'opposition un débat sur sa décision de réactiver la demande d'adhésion a pris maintenant l'engagement d'en ouvrir un après le retour du Premier Ministre de ses visites aux capitals des Six". ⁹² It appeared that government was keen to curtail any negative Dáil commentary concerning accession. However, while it emphasised its commitment to the EEC's political ideals, it did not appear to be in a position to debate those repercussions at home. The report also investigated the form of Ireland's application to the EEC. It outlined that the principals laid down by Lemass' application were unchanged in the second application and enabled Lemass to save time.

"La procédure de ressusciter l'ancienne demade contrairement à la Grande-Bretagne qui en a déposé une nouvelle, peut être justifiée du point de vue des Irlandais.

D'abord ils ont tenu à prouver, que depuis 1962, il n'ont pas dû se convertir a l'idée européenne, le discours de Lemass étant toujours la base de leur efforts de se rapprocher du continent. D'autre part, Lynch a déclaré que cette procédure leur permettrait de gagner du temps. "93

The Communities were also developing as too was its *acquis communitaire*. This will be investigated to a greater extent in the next section. However, it appears that while the Irish government was willing to make political commitments, it did not really engage with that debate or amend its position despite progress and development in the EEC. The emphasis was primarily on economic re-alignment and gaining accession. These issues were debated to some extent with the public before accession, recent research indicates that Irish people were less enthusiastic than the large majority yes vote implies. They can be more accurately described as reluctant Europeans as the "sense of inevitability of a decade-long process left them with little choice but to sign up for membership." 94

Experience and training, due to increased interaction with the Communities and the Six, made a marked difference in how the Irish government reacted to the first and second failures of enlargement. It managed to administer its application with skill. This can be demonstrated by

94 Gary Murphy and Niamh Puirseil, 'Is it a New Allowance?' Irish Entry to the EEC and Popular Opinion' in Brian Girvin and Gary Murphy (eds.), *Continuity, Change and Crisis*, pp. 76-97.

⁹² Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, p. 14, HEAU EM 169.

⁹³ Rapport des Conseillers Commerciaux des Pays des Communautés Européennes, p. 17, HEAU EM 169.

surveying diplomatic reports and committee minutes after both French vetoes against enlargement. Disorientation in January 1963 as well as the re-direction of Irish policy toward securing AIFTA meant that the Irish administration did not contact the Communities after the veto for almost one year. On the other hand, it acted immediately and with determination in 1967. Seán Morrissey, Ambassador at the Irish Permanent Representative in Brussels, reported that the press conference (1967) 'caused dismay and disappointment in the Commission'. But the Irish mission in Brussels reported that the British continued to talk about entry 'in a reasonably confident way'. Indeed, according to Morrissey, 'there was talk of British entry with little or no discussion'. However the Dutch were at the time 'by no means as optimistic'. 95 Amidst contradictory speculation, the Committee of Secretaries met in Dublin on 23 May 1967 to discuss what the Irish government should do next to further its application for EEC membership. The discussion centered on the proposed tour of the capitals by the Taoiseach to discuss Ireland's application for EEC entry. Thomas Kenneth Whitaker, Secretary of the Department of Finance, advised that 'haste should be avoided in this matter' as he felt that 'precipitate action now could leave the Government in an embarrassing position if negotiations did not get under way'. That cool-headed reasoning contrasted starkly with Ireland's rushed application for membership of the Communities and subsequent aidemémoire in the summer of 1961. Whitaker suggested that the government should 'envisage a longdrawn-out process' and should arrange a meeting with the French Government in June. 96 Government policy was decisive, timely and determined. Despite pessimism, the Taoiseach went ahead with his plans for a formal Tour of the six capitals during the following months. The government recognized the long-term benefit for the Irish case by keeping up regular contact with the Six. Even if this approach didn't bear fruit this time round it had the potential to help Ireland's case in the long-term.

Accession and beyond

Ireland's administration also evolved to a certain extent to meet and prepare negotiations. It was initially co-ordinated by the Taoiseach's Office. Finance, Industry and Commerce as well as Foreign Affairs played active roles. But Finance had played a central role in previous negotiations with the EEC as well as preparing Ireland's White Paper on accession. It should be noted that there was no analysis of how membership would actually be managed after acession until later in 1972. The next chapter will detail to a greater extent this adaptation. But Patrick Hillery, Minister for Foreign Affairs, took over Ireland's negotiations for membership of the Communities from 1971.

⁹⁵ Seán Morrissey to Dublin, 'Ireland and the European Communities – a Position Paper,' dated 16 May 1968 in Department of the Taoiseach (DT) at the National Archives of Ireland (NAI), NAI DT 99/1/494mS18981N. ⁹⁶ Meeting of Committee of Secretaries on 23 May 1967, NAI DT 98/6/857, (S18081C).

The same department also began to chair the European Communities Committee in Dublin. But in reality and during negotiations a dual system emerged. The DFA managed contacts and negotiations with the Six and Finance prepared and co-ordinated gathering technical information from the national departments. This maximised resources and allowed Hillery to concentrate on negotiations and later on co-ordinating a national information campaign in preparation for the referendum on membership. However, difficulties appear to have emerged in co-ordination and delegation of duties during negotiations because the DFA released a formal report in March 1972 outlining the procedures for filtering EEC affairs through its department. These issues will be studied in greater detail in the next chapter of this dissertation.

Accession terms, in general, were quite favourable to Ireland. It was important for Irish policy makers to defend and get the best terms of membership. The format of negotiations was extremely important for Ireland and it had lobbied for parallel negotiations with other applicants since 1962. Discussions had come up repeatedly with the Six during the 1960s because of the importance to Ireland of the UK, as its main export market, but also because of its experience of being locked out of negotiations in 1962. This meant that as talks progressed, Ireland could comment on any issues arising from the UK's negotiations. ⁹⁷ Ireland gained significant concessions in agriculture and immediate access to the European guidance and guarantee fund (FEOGA). Hillery also acquired equally valuable concessions on Anglo-Irish Free Trade. ⁹⁸ The most fundamental obligation of membership was participation in the Community's customs union. Common external tariffs to imports from states outside the Community was disallowed. Similarly, tariffs and restrictions on trade between states was barred. Ireland, however, since the mid 1950s had operated a range of tax incentives for industrial development. ⁹⁹ Ireland also managed to secure an exception to this rule for Ireland.

Hillery demonstrated considerable skill in negotiating this term in particular. He made the case for Ireland's inclusion in the future regional fund outlining that existing tax incentives were important to Irish industrial development in the future. The Community therefore, taking into account the objectives of economic expansion and improvements of the population's standard of living, would interpret the Treaty in a flexible fashion and allow operation of tax incentives to continue. Ireland's negotiations concerning the Common Fisheries Policy (CFP) has already been surveyed extensively. It has been demonstrated that Ireland challenged the *acquis* and managed to

⁹⁷ John Walsh, *Patrick Hillery*, p. 304.

⁹⁸ Ibid., p. 308.

⁹⁹ Peter Murray, Facilitating the future?: US aid, European integration and Irish industrial viability, 1948-73 (University College Dublin, 2009).

secure some safeguards.¹⁰⁰ John Walsh, Hillery's biographer, outlines in detail these negotiations but Hillery was conscious to play down requests and did not want to appear greedy in the eyes of the Six. Earlier emphasis on concessions in 1962 has been mentioned and was regretted by policy makers. That experience resonated among negotiators ten years later in 1972. It has been argued that the Irish had not yet fully considered the *acquis*. At the same time, however, a loyalty to the EEC had emerged and this is reflected in Hillery's commentary.

Ireland's determination to emphasise its commitment to the Communities' political ideals has been emphasised above. However, how genuine was that commitment to the acquis communitaire? But had its verbal commitments to the EEC really penetrated the national psyche or was it simply a necessary means to gain membership. One historian envisages the acquis "as a politically agreed status of Community achievements in general, but not always, enforceable by the European Court of Justice". 101 Rasmussen outlines that the internal development of the Community during the 1960s as well as the first enlargement were important to the development of the acquis. It turned European legislation into a body of law "similar to that of a federal state which gave it supremacy over national law". Aspects of these were tested in landmark cases in 1963 and 1964 when Community law was given supremacy over national law. But it was a gradual and, at times, difficult process involving much compromise between the original Six. Furthermore, its formation is an important element in the evolution of the Communities because it symbolised more than a body of common law but hard-fought progress and compromise among the Six. The Hague Summit obliged new applicants to not only accept the Treaties and their political objectives but also all the decisions made by the Commission. Negotiations would therefore have to also concentrate on how to adapt the legislation of the new member states to the acquis in 1971. However, these would not always prove to be compatible and compromise would, at times, be necessary to ensure enlargement at the cost of the acquis. Rasmussen quotes Denmark's Jens Christensen as commenting that during negotiations "the Six during enlargement were more interested in rules than in money". But it should be underlined, as Con O'Neill pointed out, that "behind every decision lays an often hard fought compromise and consequently to unravel or even to sidestep the acquis was similar to opening Pandora's Box". 102

¹⁰⁰ Michael Geary, 'Enlargement and the European Commission: An assessment of the British and Irish Applications for Membership of the European Economic Community 1958-73' (PhD Dissertation, European University Institute, 2008), pp. 294-327.

Morten Rasmussen, 'State power and the Acquis Communitaire in the European Community of the early 1970s' in Jan van de Harst (ed.) *Beyond the Customs Union: the European Community's Quest for Deepening, Widening and Completion 1969-1975* (Nomos Verlag, 2007), p. 252.

¹⁰² Morten Rasmussen on 'State power and the Acquis Communitaire in the European Community of the early 1970s' in Jan van de Harst (ed.), *Beyond the Customs Union*, p. 252.

Ireland's appreciation and perception of those compromises is an important theme which will be investigated in later chapters. The *acquis* and its significance for other member states was discussed frequently during inter-departmental meetings. At times, Ireland challenged the *acquis* and pushed for exceptions. On other occasions, it protected it fervently.

Conclusion

Ireland's economic policy became increasingly internationalised at the end of the 1950s. It became necessary for Ireland to engage with larger trading blocs in the 1960s and this indirectly led to its application for membership of the European Communities in 1961. Irish policy formulation became increasingly coherent and focused on gaining membership and readying itself for that accession. Irish diplomats and politicians became progressively familiar with the workings of the institutions and aspired to presenting Ireland's case for membership of the EEC in the best possible way.

These circumstances were helped by improved co-ordination in Anglo-Irish affairs. There was an acceptance among Irish policy makers of its over-reliance on British export markets and its effective dependence on the UK. Irish officials recognised the necessity of strengthening that bond in order to grow away from it. Improved Anglo-Irish relations also helped the co-ordination of Irish and British applications in 1967. This contrasted strongly with Anglo-Irish relations during its first application.

Ireland's independent stance on, for example, neutrality and traditional notions of nationalism and sovereignty, could be sacrificed and adapted if they were in danger of hampering membership. However, commitment to the political ideals of the Community remained vague and open public debate in the Dáil was discouraged. This changed as membership and the referendum for accession neared in the early 1970s. However, while economic policy adapted substantially in the 1960s; Ireland's interpretation of the Community's political ideals appeared to remain the same as Lemass had outlined in 1962 and this was noted by the Commission. It was hoped, at the end of the 1960s, that the EEC would shortly provide the country with a 'constructive external framework' within which to pursue its national interests and own self-advancement within the setting of European economic and political integration'. ¹⁰³

The pre-history of Ireland's membership of the European Economic Community has been high-lighted above because it becomes important to Ireland's immediate behaviour after membership. The twelve year wait until accession was convenient because it allowed Ireland adapt economically toward further liberalisation. In contrast, there was very little administrative

 $^{^{103}}$ Maurice FitzGerald, From Protectionism to Liberalisation, p. 326.

preparation. That would directly affect Ireland's management of membership and will be noted in varying facets of Ireland's relations with the EEC from 1973.

Chapter II

Tús Maith, Leath na hOibre

Administering Membership –adaptation, inertia, modus operandi and new perspectives

Introduction

The first chapter of this dissertation has demonstrated how Ireland's policy concerning the European Communities became increasingly coherent and focused on gaining membership and readying itself for that accession. The Irish government moulded its policy: political, social and Anglo-Irish to become compatible with the Six. As discussed in the previous chapter, shifts would also be witnessed in the Civil Service where the DEA (later Department of Foreign Affairs) emerged as gate keeper for Ireland's policy toward the European Economic Communities in May 1970. This selection was not an obvious choice in early 1970 and created some disorientation at administrative and governmental levels.¹

The period between 1961 and 1973 provided a convenient opportunity for the Irish government to adapt and ready itself on a number of levels for full membership of the EEC. Although Ireland had participated in some international organisations up to this point, its membership of the EEC had an even greater impact on several facets of central administration. Civil servants and politicians became responsible for defending and asserting its aspirations as a member of the EEC as well as implementing legislation deriving from the Treaty of Rome in Ireland. However, in 1978 several difficulties were noted in Ireland's management of EEC business. These included: organisational disputes over who should play the lead role in some policy areas; scarely any attempt to review the effects of EEC policy; failure to engage in effective consultation with relevant departments as well as failure to observe procedures concerning the circulation of reports. 2 Significant change after membership did not actually occur and the DFA adapted existing structures rather than reforming them to cater for Ireland's membership of the EEC. This chapter will contrast starkly with the previous one because Ireland's policy toward administering and managing EEC affairs after membership was not coherent. It analyses why administrative adaptation was not forthcoming from the late 1960s until membership. It will be important to begin by contextualising from where this system evolved in order to understand how and why it developed the way it did. This had important consequences for Ireland's effectiveness within the Communities and this will be highlighted in susbsequent empirical chapters. In contrast,

² Brigid Laffan 'Managing European Dossiers in the Irish Civil Service' in Mark Callanan (ed.), *Foundations of an Even Closer Union* (Institute of Public Administration, 2007), p. 179.

¹ Walsh, *Hillery*, p. 298.

Irish diplomats brought considerable experience and new perspectives to re-launching Ireland's foreign policy from within the communities.

Adaptation: DEA as Gatekeeper for EEC

As outlined in the previous chapter, the departments of the Taoiseach, Finance, Industry and Commerce played lead roles in Ireland's decision and strategy to join the EEC. As the 1960s progressed, the DEA's role in that process strenghtened.³ That reflected central policy-making which, having reinforced Anglo-Irish relations through the 1965 agreement, laid increasing emphasis on bolstering Ireland's relationship with the EEC. The DEA became progressively more important to that process. It was in a unique position to gather intelligence from the Six through its ambassadors and permanent representative to the European Communities reporting at the Committee of Secretaries as well as co-ordinating and managing several tours of the capitals in the 1960s. At times, that information had a direct influence on Ireland's strategy-making and policy formulation concerning the Six. However, decision-making regarding the EEC remained in the Taoiseach's Office. Finance, Industry and Commerce and increasingly the DEA influenced that strategy. Senior representatives of these departments met frequently through the Committee of Secretaries which discussed practical aspects of implementing central strategy. But it is important to emphasise that discussions at Committee level took place within the "parameters of a political and administrative culture governed by collective responsibility and an ethos of consulting 'all interested' departments".4

This situation altered in May 1970 when Taoiseach Jack Lynch appointed the DEA as primarily responsible for managing Ireland's affairs with the European Communities. It began chairing the newly established Interdepartmental European Communities Committee during negotiations for membership.⁵ This new committee made up of representatives from the same departments – External Affairs, Taoiseach, Finance, Agriculture and Fisheries, Industry and Commerce – essentially replaced the former committee of secretaries and met at the level of secretary general and assistant secretary. Lynch's selection had implications for both Ireland's political role with the EEC and for the evolution of administering EEC policy in Ireland. This section will begin by concentrating on the latter.

³ The name of the Department of External Affairs was changed in 1971 to the Department of Foreign Affairs. John Walsh, Hillery's official biographer, writes that Hillery was dissatisfied with the department's name External Affairs and "he told the Dáil in January 1971 that it was of British Commonwealth origin." He also said that Foreign Affairs was the more usual and appropriate name internationally. John Walsh, *Hillery*, pp. 170-171. The Irish translation "Roinn Gnothai Eachtrachta" which was used since 1922 did not change. Its direct translation is foreign affairs and the Irish name remained the same after the change to the English title in 1971.

⁴ Brigid Laffan, 'Managing' in Mark Callanan (ed.), Closer Union, p. 177.

⁵ Lynch announced that Hillery would lead the Irish Negotiating team for membership of the Communities on 27 May 1970. Dail Debates [cited 25 February 2014] < http://debates.oireachtas.ie/dail/>

Lynch's judgement was surprising because, as has been demonstrated in the first chapter of this dissertation. Finance and the Taoiseach's department had led Ireland's planning and applications for EEC accession from the 1960s. Furthermore, Finance had prepared the technical details concerning Ireland's first and second application for EEC membership, GATT negotiations and the Anglo-Irish Free Trade Agreement in 1965. The same department had also prepared three White Papers concerning Ireland's accession to the EEC. Membership of the European Communities – Implications for Ireland (WP) was published in April 1970 – one month before Lynch's announcement to appoint Hillery as head of Ireland's negotiation team. 6 Hillery recounted that Lynch announced this change in a 'characteristically indirect fashion'. Radio Telifis Éireann (RTE)⁷ had requested an interview with the government concerning EEC membership. This was discussed at Cabinet and Lynch nominated the newly appointed Minister for Foreign Affairs, Patrick Hillery, to this role. Hillery reflected later that

I did not understand his [Minister for Finance Charles Haughey's] chagrin until it dawned on me that this could imply a much bigger decision: one that would mean I would be responsible for Europe and that the negotiations. Charlie [Minister for Finance] definitely saw it that way; he was correct and he was mad.⁸

Hillery's anecdote seems to imply an informal and almost casual decision. However, this is unlikely and the decision was calculated and timely. But it also implies a certain degree of naivety in a senior cabinet member who had a particularly close relationship with Lynch. At the same time, he may have expected to be one of a series of negotiators rather than heading the delegation. This was certainly the pattern at this point. But that decision effectively shifted responsibility for administering European Affairs to the DEA (renamed the Department of Foreign Affairs in 1971). And despite Lynch's action, no effective system for filtering EEC policy was forthcoming. ⁹ The former Committee of Secretaries was simply adapted and the DEA took over as chair.

It is difficult to speculate why Foreign Affairs was nominated over Finance for this role and no evidence has been located to trace Lynch's reasoning. Despite the casual manner in which Lynch announced his decision, it would have been carefully considered and some important points should be underlined. Firstly, it is unlikely that Lynch wanted to place too much emphasis on the economic aspects of membership and envisaged a wider political role for Ireland within the EEC. The Department of Foreign Affairs was a better fit and could provide wider scope beyond economic links. Formally splitting EEC affairs between Finance and DFA was quashed in favour of a single gatekeeper. At the same time, Lynch waited until after the WP was

⁶ D.J. Maher *The Tortuous Path*, pp. 118-253.

⁷ Radio Teilifis Eireann or RTE is Ireland's radio and television broadcasting company.

⁸ John Walsh, *Hillery*, p. 299.

⁹ Brigid Laffan 'Managing', in Mark Callanan (ed.), *Closer Union*, p. 179.

published before relating his decision. Finance had had a central role in its compilation and friction could have endangered or delayed its publication. Furthermore, the Taoiseach was extremely close to Hillery both personally and professionally. He had had serious difficulties with Haughey in 1969 and he would actually remove him from office in May 1970 for allegedly attempting to illegally import arms for the Irish Republican Army (IRA) in Northern Ireland.¹⁰

The following section will investigate why more administrative re-structuring, in contrast with other countries bidding for membership, did not take place and a more specialist mechanism for administering EEC policy through the DEA was not forthcoming.

Inertia

There is an important power shift among departments in the 1960s when Hillery is appointed Minister for External Affairs in 1969. Up to this point and under Frank Aiken, that department focused its resources to a greater extent on Ireland's role in the UN. The two most important elements of foreign policy were largely conducted by other ministers –bilateral relations with Britain and NI by the Taoiseach and the international implications of Ireland's new economic policy by the Ministers for Finance and Industry and Commerce. ¹¹ But, as outlined in the previous chapter, Finance actually played a central role in general policy making since independence. Its role was elevated even more when planning was added to its "traditional armoury of budget restraint" in the late 1950s and early 1960s. ¹²

But it will be necessary to digress briefly to discuss the Department of Finance's White Paper in April 1970. That publication gives significant insights into government preparation if accession were to occur. It reveals important information concerning civil service reform and dynamics between government departments just one month before Lynch announced Minister Hillery as leader of negotiations. But analysing this document also underlines the basis from which the DFA would have to initially operate. It essentially inherited this portfolio in full. The time frame is also very important because negotiations opened in July of the same year – just two months after Hillery's nomination to head Ireland's negotiating team. The DEA immediately turned its attention to managing Ireland's team of negotiatiors. ¹⁴ It did not have a sufficient opportunity to analyse how EEC affairs would be managed through its department. The priority was securing membership on the best possible terms. Indeed, the circular on how best to manage EU dossiers was circulated in

¹⁰ Dermot Keogh, *Jack Lynch A biogoraphy* (Gill and Macmillan, 2008), pp. 267-270

¹¹ Dermot Scott 'Adapting the Machinery of Central Government' in David Coombes (ed.), *Ireland and the European Communities* (Gill and Macmillan, 1983), p. 71.

¹² Ibid., p. 71

¹³ The White Paper, Membership of the European Communities: Implications for Ireland, (Dublin, 1972).

¹⁴ Notes in Patrick Hillery Personal Papers (P205), University College Dublin Archives (UCDA) File: UCDA P205/38.

September 1973 – nine months after accession.¹⁵ It is significant that the DFA perceived the real necessity for a comprehensive logistical report on the quintessence of managing EEC affairs. It is clear that the DFA was conscious of the challenges posed as well as the problems that could emerge in co-ordinating several departments concerning EEC affairs. This document was drafted in the spring of 1973 and will be considered more comprehensively later in this chapter.¹⁶

Finance's White Paper outlined the likely economic consequences of entry to the EEC, asserting that the longer term gains outweighed any short-term losses for Irish industry and that agriculture would also benefit significantly.¹⁷ It should be noted here that Thomas Kenneth Whitaker – who had a significant input into former applications for EEC affairs – had left this department as Secretary in 1969. Other research has outlined that, it is likely he left due to disagreements concerning accelerated expenditure and borrowing under Charles Haughey (Minister for Finance 1966-70).¹⁸ Despite having had eight years to ready itself in preparation for membership, the 1970 WP has been heavily criticised by other scholars. Its primary purpose would be to

set out, for the information of both Houses of the Oireachtas and the general public, what membership of the Communities will involve for the country as a whole and for particular sectors of the economy.

Lynch later continued that the publication aimed for objectivity, and to cover the full range of implications, constitutional and political as well as economic and social, and to give as complete an assessment as possible, given the many uncertainties and imponderables involved.¹⁹

However, although the authors dealt with the constitutional, legal, political and economic consequences of accession to the Communities, there was no thorough examination of how the Irish civil service structure would take on managing actual membership.²⁰ That exclusion appears to indicate hesitance as well as a lack of ambition to implement civil service reform in order to prepare and ready national administration for its new dual role at a national and European level.

Furthermore, issues examined in the WP were analysed in a cultural vacuum outside the civic culture. The effects on society at large, non-governmental actors were skimmed over and the

¹⁸ Dermot Keogh, *Jack Lynch*, pp. 124-5.

¹⁵ Brigid Laffan, 'Adapting' in Mark Callanan *Closer Union*, p. 177.

¹⁶ Arrangements for dealing with Work arising from membership of the European Communities 30th March 1973. This new draft originated in a meeting between DFA and Finance on 29 March 1973, NAI DT 2004/21/620.

¹⁷ John Walsh, *Hillery*, p. 299.

¹⁹ [26 February 2014] http://www.ena.lu/

²⁰ The White Paper's chapters were focuced on the following themes: constitutional, legal and political implications; Representation on the institutions of the Communities; industry; agriculture and fisheries; free movement of persons, services and capital; transport policy; tax provisions; economic policy; commercial policy twoards non-member countries; social policy; European Coal and Steel Community; Euratom; energy and financial implications of membership of the communities. White Paper entitled 'Membership of the European Communities Implications for Ireland' (The Stationary Office, Dublin, 1970).

WP stopped short of a thorough examination of what membership would effectively involve. The one page and a half devoted to equal pay for men and women serves as a good example of this.²¹ The WP aknowledges: that there is an obligation on every member state to ensure and maintain the principle of equal pay; outlined slow progress in other states; difficulties in legal definitions of equal pay for equal work as well as an approximate cost to the exchequer for its implementation in the public sector. But this short section did not probe beyond these considerations despite the fact that this legislation had the potential of having a profound effect on the place and role of Irish women in Irish society.

In the first chapter of this dissertation, it has been emphasised and indeed other research has demonstrated how official thinking became convinced of the necessity of Ireland's accession to the EEC. That ambition became so ingrained and central to government policy, as the decade advanced, that the WP authors appear unable to identify with any other course of action or alternative future. Therefore, rather than examining deeper questions such as the likely response or resistence of sector groups to these changes, the 1970 and 1972 WPs simply alluded to them. There was no concrete analysis of consequences for interest groups if Ireland were to join the EEC.²² But, if government tended to underemphasise these sectors in official publications, the same patterns were recepricoated among some non state actors. At the ITGWU annual congress in June 1971 a delegate opened his contribution on the EEC remarking "I am going to say something about the Common Market. I don't know an awful lot about it but I might as well make a fool of myself here as anywhere else". 23 But Lemass, former Taoiseach, had taken a very different approach stepping up consultation with non state actors in relation to Ireland's applications to the EEC in the 1960s. It was his view that these organisations would offer leadership to their members and in so doing help inform and court public opinion into getting behind the government's efforts to attain membership.²⁴

This tendency to undervalue or even ignore large interest groups would come back to haunt the Irish government after accession negotiations were completed. The Irish electorate were, despite having had over ten years to get familiar with the possibility that Ireland may become a member of the EEC, relatively unknowledgeable and at times reticient about the prospect of accession.²⁵ Recent scholarship also indicates movement and difficulties between the Department of Industry

²¹ Ibid., p. 89.

²² J. J. Lee refers to 1972 White Paper in J. J. Lee, *Reflections*, p. 4.

²³ Gary Murphy and Niamh Puirséil, 'Irish entry to the EEC and Popular Opinion' in Brian Girvin and Gary Murphy (eds.), *Continuity*, *Change and Crises*, p. 81. ²⁴ Ibid., p. 78.

²⁵ Ibid., p. 83.

and Commerce and the IDA during this period. Those difficulties may have hampered an official position in relations with this sector.²⁶

The consequences of membership for the workings of the civil service were not dealt with in the White Paper and this will be demonstrated to have had direct consequences on Ireland's effectiveness as a member of the EEC. There is no systematic discussion of the policy-making procedures and styles in the civil service. This would appear puzzling as the day-to-day administration of effective EEC membership would rest with the civil service. ²⁷ No evidence has been located to suggest that research was done on how other states managed EEC membership. Some actors did underline these differences. Garret FitzGerald, who would later take over as Minister for Foreign Affairs from Hillery in 1973, pointed to the fact that the UK had nominated Con O'Neill as having full responsibility for European Affairs. ²⁸

The previous chapter has surveyed government thinking in the 1960s which advocated closer relations with the Six as a way of also distancing itself from dependence on Britain. ²⁹ Ireland's civil service structure had been inherited from the UK in 1922 and its framework mirrored the Whitehall model. Like other former colonies another feature marked this system. It was highly centralised and even local government was limited in its remit. Power remained centralised in Dublin for fear of rebellion. And even after the establishment of the Free State in 1922, those anxieties continued. Irish nationalists were divided by the Treaty leading to Civil War between 1922-23. Acts of terrorism against the Free-State continued until the late 1920s. These circumstances did not encourage de-centralisation. ³⁰ But forty years later, civil service reform would have given the Irish government an opportunity to break out of that mould. However, the historical model pre-dominantly remained and was adapted rather than altered. An important opportunity was lost. But according to J.J. Lee, this reflected the "servile dependance of Irish thought on English models that so little attention was paid to continental European administrative styles – if only to consciously reject them". ³¹ Ironically, Whitehall changed significantly after membership and this will be elaborated on later in this chapter. ³²

At the same time, not all sectors of the administration were blinkered. Immediately after accession, the DFA began to draft a report on "arrangements for dealing with work arising from

²⁶ Peter Murray, *Facilitating the Future*, pp. 74-96.

²⁷ European Communities Committee Minutes 1972, NAI DFA 2005/4/702.

²⁸ FitzGerald, Fine Gael Foreign Affairs spokesman speaking during Dail Debates in relation to Con O'Neill's nomination as co-ordinator for British negotations with the EEC on 27 May 1970. [12 March 2014] http://debates.oireachtas.ie/dail/1970/05/27/00006.asp

²⁹ Katie Hayward, *Irish Nationalism and European Integration: the Official Redefinition of the Island of Ireland* (Manchester University Press, 2009).
³⁰ Richard Haslam 'The origins of Local Government' in Mark Callanan and Justin F. Keogan (eds.), *Local Government*

Richard Haslam 'The origins of Local Government' in Mark Callanan and Justin F. Keogan (eds.), *Local Government in Ireland Inside Out* (Institute of Public Administration, 2003), p. 40.
 J. J. Lee, *Reflections*, p. 10.

³² Simon Bulmer and Martin Burch, *The Europeanisation of Whitehall*, pp. 91-126.

membership of the European Communities" in spring 1973. 33 This specific report will be analysed later in this chapter. But the latter was studied essentially after accession. Similar analysis was also conducted by the same department in preparation for Ireland's management of the Presidency of the European Council in 1975 which was managed by the DFA.³⁴

In order to understand and rationalise this omission and its consequences for Ireland's membership and relations with the EEC, it is important to contextualise it in a broader and longer debate concerning civil service reform in Ireland. Civil service reform dated to the establishment of the Devlin Committee from 1967-69. That report presented an ambitious strategy for modernising all parts of the Irish government. Recommendations regarding recruitment and promotion were also included. Structures, Devlin outlined, were crucial to preformance.

The basis of these included restructuring Government in order to separate policy formulation (Aireacht or Central Ministry) from the work of administering policy (Executive Units). 36 These suggestions formed part of wider aspirations toward planning and development which had been pioneered by former Secretary for Finance T. K. Whitaker and former Taoiseach Sean Lemass in the late 1950s and 1960s.³⁷ The Committee recommended four functional staff units for Planning, Finance, Organisation and Personnel which would link these functional activities within each department to central Departments such as Finance (for planning and finance) and the proposed Public Service (for organisation and personnel). ³⁸ Commercial state-sponsored bodies would operate as before but with improved liaison with parent departments. Other suggestions included better cost effectiveness and staff training. Lateral staff mobility and widening any scheme of mobility to other organisations was also recommended.³⁹ It is difficult to gauge civil service reaction to these suggestions. It appears, however, that attitudes to the possiblility of reform differed greatly within the service. But by 1976, the Devlin Review Committee reported "we cannot but feel a sense of disappointment that so little, backed up by sustained commitment is being expressed in civil service reform, when at the outset so much was expected". 40

So why was there so much resistance to Devlin's recommendations? Examining the consequences of those suggestions from the point of view of civil servants goes some way to explaining why resistance to change persisted. That inertia would have in turn consequences for the

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³³ Arrangements for dealing with Work arising from membership of the European Communities 30 March 1973. This new draft originated in a meeting between DFA and Finance on 29 March 1973, NAI DT 2004/21/620.

³⁴ Sean Cromien, 'Serving in New Spheres' in Rory O'Donnell (ed.), Europe: the Irish Experience, p. 156.

³⁵ The Devlin Committee produced a detailed report on the future of the Irish Government in 1969. *The Devlin Report* (Irish Public Administration, 1960).

³⁶ Basil Chubb, Source Book of Irish Government (Institute of Public Administration, 1983), pp. 68-102.

³⁷ Gary Murphy and Brian Girvin (eds.), Sean Lemass.

³⁸ A separate Public Service Department and a broad advisory body were also recommended and the Department of Public Service and the Public Service Advisory Council were duly set up. These details are outlined in FitzGerald minutes of the Conference of Ambassadors in April 1973 (P215), UCDA P215/423.

³⁹ Tadhg O'Cearbhaill, 'The Civil Service in its Place' Administration, Vol. 31, No. 1, (1983) pp. 13-17.

⁴⁰ Basil Chubb, *Sourcebook*, p. 99.

WP and for Ireland's administrative adaptation after accession. Firstly, formally separating policy formulation from implementation would fundamentally change the nature of the traditional civil service role since independence in 1922.⁴¹ If Devlin's suggestions were carried out, responsibility for any shortcomings in implementation would remain with the administrative head of operating service and not with the Minister. Secondly, lateral promotion opportunities, while advantageous in rewarding the innovative and hard-working, would also definitively discontinue traditional promotion due to seniority.⁴² Political scientist, Basil Chubb, later surmised that

a combination of official resistance and lack of political will, despite lip service to the report, has led to the major reforms suggested by the group not being carried out by the group by 1980.⁴³

As mentioned above, Devlin's report emphasised that structures were imperative to preformance. Sceptics underlined that the 'calibre of individuals employed in the service was more important than structures'. But that calibre has been called into question by some former civil servants and scholars in the 1980s. Up until the 1960s in Ireland, opportunities for higher education or rewarding employment in the private sector were rare and therefore the civil attracted some of the most talented and ablest minds in the country. But deficiencies in personal policy did not reward the talented and made mobility within and outside the service difficult. "Minds tended to became constipated on a low fibre intellectual diet". 44 Preformance is bound to vary from individual to individual even within the same ranking. However, observers in Brussels, according to Lee, commented on an obtrusive duality in the quality of work presented. And even optimistic assessments emphasised negotiating skills rather than strategising. Irish representatives fought well, Lee surmises, but whether they chose 'the right ground on which to fight remains conjectural'. 45 He pointed to a greater and more fundamental problem – a tendency to avoid planning and consider policy strategically. But this, Lee emphasises, is common in the Irish context and therefore why should it be any different in a larger EEC context? This research concurs with Lee's findings. Deficiencies in planning is evident and will be highlighted in Ireland's management of European Regional and Development Funding (ERDF).

It is difficult to determine why there seems to have been a lack of political will to reform. Perhaps, the government felt sufficiently prepared to deal with membership without an administrative overhaul. It may have also been excluded simply due to timing because the second

⁴¹ Bendan Halligan, 'The Political Perspective in 1972' in O'Donnell (ed.), *Europe*, p. 26.

⁴² Underdeveloped personnel policies as well as staff insistence of equal treatment for all have combined to deter staff mobility. Article by a senior civil servant working in the 1960s and 1970s. O'Cearbhaill, 'Civil Service in its place', pp. 20-21.

⁴³ Basil Chubb, *Sourcebook*, pp. 99-100.

J. J. Lee, *Reflections*, p. 6.

⁴⁵ Ibid., p. 5.

phase of Devlin's recommendations was still being considered by departments as late as April 1973. At the same time, EEC membership could have been used as an opportunity and incentive to implement new structures at least concerning Ireland's relations with the EEC. Excluding this issue from the WP may have been an attempt to avoid rocking the boat by separating accession from a national Pandora's box. Similarily, it is also conceivable that officials did not want EEC membership to be directly connected to or perceived as being responsible for the implementation of significant reform. This had the potential of causing resentment – among those civil servants who resisted any type of reform anyway – towards the EEC.

The DFA effectively took over another department's programme and vision for operating within the EEC which, for the most part, ignored institutional adaptation after membership. But contextualising this omission with Ireland's institutional history and struggle to implement reform helps highlight that the situation was far from ideal for introducing a new mechanism to manage EEC policy domestically. Securing membership was its immediate priority. Recent research highlights that the DFA had another concern – readying 'Ireland psychologically for EEC membership'. Even if negotiations with Brussels were successful, the Irish electorate would ultimately decide its future through a referendum. Hillery established a bureau of information within the department in autumn 1970 and commissioned an IMS (Irish Management Survey) poll in December 1971. The results caused alarm because there was a substantial and growing number of voters who disapproved EEC membership. 47 Managing this campaign was a delicate juggling act. The 'no' campaign was a powerful lobby group. 48 There was concern among officials that the 'yes' campaign should not peak too early either and this would have to be planned as negotiations in Brussels proceeded. Murphy and Puirséil detail the complexity of that campaign as well as the importance of the government's role in securing an overwhelming yes in 1972. Timing is significant. Within only a few short months the DFA's responsibilities had been expanded significantly. What should be highlighted is that the DFA had several tasks during this period and it prioritised attaining and assuring membership.

The blow for Finance, having lost substantial control over the EEC portfolio, was marginally softened because the Taoiseach's Office directed that it would continue to co-ordinate preparatory work in Dublin for the application. ⁴⁹ This department continued to play an important role as any EU proposals that might lead to a cost for the Irish Exchequer required its prior approval. However, this move effectively divided Ireland's negotiations with the EEC between departments. While the DFA concentrated on actual negotiations for membership, Finance

⁴⁶ Minutes of Conference of Ambassadors April 1973, UCDA P215/423.

⁴⁷ Murphy and Puirséil, 'Irish Entry', in Girvin and Murphy (eds.), *Continuity, Change and Crisis*, p. 83.

⁴⁸ Dermot Keogh, *Ireland and Europe 1919-89*, pp. 271-283.

⁴⁹ John Walsh, *Hillery*, p. 300.

essentially turned its attention to the effect of membership domestically in Ireland. This optimized resources and expertise. It also straddled EEC policy between departments, delayed the evolution of a domestic mechanism for filtering Ireland's relations through one body/department. That split did not help enhance co-ordination after membership.

Ireland's management of EEC relations contrasted markedly with the UK's experience. While, admittedly, its resources were certainly more extensive, the UK's relations with the EEC between 1961 and membership in 1973 enjoyed relevant efficiency and consistency. 50 After UK accession, administration and policy making from within the EEC essentially continued to be handled by the same administrative structure. The latter is noteworthy because it helps to understand the deficiencies in the Irish system more thoroughly. In the UK, EEC policy was handled through a specialist European Unit in the Cabinet Office (COEU) which was the most central to the whole system. It provided "advice, convened meetings to discuss issues, was expected to ensure that departments gave full consideration to matters and that government presented a united and coherent position in its dealings with Brussels". ⁵¹ As well as this, the Foreign Office had two European Integration Departments (internal and external) as well as its Permanent Representative in Brussels. In contrast to the Irish system, both were housed in the same department. Others such as the Treasury, Ministry for Agriculture, Fisheries and Food, Department of Trade and Industry as well as Customs and Excise had their own internal structures for developing policy. However, the COEU was also linked directly with the Prime Minister's Office. After accession, this structure was simply adapted but the core remained the same from its inception in 1962/3.52 And therefore, after membership the UK already had a stable, tested and consistent adminstrative structure in place to formulate and implement policy making from within the EEC.

On the other hand, Ireland's policy making in relation to the European Communities prior to accession had been managed by a mixture of lead departments at the Committee of Secretaries. The same model chaired by the DFA persisted after accession. It grew out of a political and administrative system which had favoured "collective responsibility and an ethos of consulting 'all interested' departments". The small scale of Ireland's civil service meant that this informal system worked well to a certain extent. Information was exchanged and debated regularly, relatively quickly and at senior level. Significant institutional memory and sensitivity toward political aspects of membership is evident during these meetings. But as membership negotiations advanced, discussions on specific policy areas became more specialist and complex directly involving one, all, several or particular groups of departments. There was a tendency to discuss issues in broad terms

⁵⁰ Piers Ludlow, *The European Community and the Crises of the 1960s*, pp. 55.

⁵¹ Simon Bulmer and Martin Burch, Europeanisation of Whitehall, p. 85.

⁵²Ibid., pp. 85-87.

⁵³ Brigid Laffan, 'Managing' in Callanan (ed.) *Closer Union*, p. 177.

among all departments. Specialist sub-committees emerged particularly after Ireland's presidency in 1975 and will be discussed in a later chapter. And while the DFA had taken over chairing these committee meetings, there was no formal procedures such as the COEU for managing and filtering policy issues emerging from Europe. At times, it was obvious which departments were directly involved but difficulties arose when policy areas were not clear cut. These were exacerbated when rivalries emerged between departments concerning which one would lead policy strategy. This was pronouced and will be elaborated upon in a later chapter during discussions within the Committee of Secretaries concerning ERDF from 1973 until 1976. These difficulties were highlighted in the DFA's report in March 1973. The DEA went from an active consultative role to actually managing the administration of Ireland's relations with the EEC. The EEC division within the Department of Foreign Affairs was relatively small and lacked at times the mechanism and resources to actually manage.

Deficiencies in this system were noted by the Department. Enlargement negotiations have not been surveyed in detail in this dissertation but cracks appear to have emerged in managing European affairs during the time that the DFA took over in 1970 and the end of enlargement talks at the beginning of 1973. The publication of a report detailing the exact way in which European Affairs would be managed and handled inter-departmentally would indicate this. ⁵⁵ Hosted by Finance, there was a meeting to discuss inter-departmental arrangements for handling European Communities' work on 1 March 1973. At this meeting, McCann suggested that a high level inter-departmental European Communities Committee should be established which would be chaired and serviced by the DFA. ⁵⁶ McCann outlined that "every department could be involved to the extent it considers necessary and there would be a co-ordinated channel of communication between our European Communities Division (within the DFA) and the Permanent Representation". ⁵⁷ But minutes also portray considerable differences in priorities between Finance and the DFA.

Indeed, on closer inspection of empirical sources, Finance had actually lobbied both the Department of Agriculture and Fisheries as well as the Department of Industry and Commerce to support it in calling for overall co-ordination and consultation of EEC affairs to be placed with the

⁵⁴ Arrangements for dealing with Work arising from membership of the European Communities 30 March 1973. This new draft originated in a meeting between DFA and Finance on 29 March 1973, NAI DT 2004/21/620.

⁵⁵ This report proved difficult to locate even though it had been referred to with an old file series number by Brigid Laffan in 'Managing' in Mark Callanan (ed.), *Closer Union*, p. 177. It appeared toward the close of my research in an unexpected but fortunate location. Laffan refers to this report originating in September 1973 but this research is based on a draft first circulated in March 1973 and in related correspondence beginning in January 1973, NAI DT 2004/21/620.

⁵⁶ Minutes 1 March of meeting in the Department of Finance, NAI DT 2004/21/620.

⁵⁷ Letter from McCann (Secretary of DFA) to Murray (Secretary of Finance) on 2 February 1973, NAI DT 2004/21/620.

Taoiseach's Office. ⁵⁸ Barry's response is decidely negative whereas Slattery writes that he envisaged economic and monetary issues as growing in importance as the 1970s progressed and therefore "the logic of the situation would seem to suggest your [the] Department [of Finance] as the one to be reponsible for a co-ordinating role". But Slattery also outlined another theme which would re-appear in correspondence. He emphasised that it should be made clear to whoever chairs that it had "a co-ordinating function only and that it was not undertaking to act as an examining body on matters which are primarily the responsibility of other departments. ⁵⁹ The establishment of the European Communities Committee essentially hit a raw nerve for some departments. Some departments and Finance in particular were concerned about losing control over specific policy areas. The same preoccupation was re-emphasised by Murray at the March meeting when he underlined that "there could be no question of superceding the essential reponsibility of the department primarily concerned with a Community proposal." Slattery went a step further and questioned the suitablity of having "too formal a structure as it would tend to become to rigid". The present procedure "was working satisfactorily". ⁶¹ The following few months witnessed considerable re-drafting of this report and the first meeting of the Committee was held on 18 May 1973.

A few key points should considered here. Firstly, Finance managed to obtain an important clause in the report when it was decided that it would be copied (unless directed otherwise by Finance) on every document circulated to individual departments.⁶² It was also specified that this procedure in no way "relieves departments of responsibility for seeking Finance approval in relation to matters which traditionally required such approval". Finance's central position in the Irish government since the 1950s has been emphasised above. This re-drafting process attests to that continued power of influence. Furthermore, it was no shrinking violet and was prepared to rally and lobby against the DFA in order to restore its position.

At the same time, perhaps the tide was turning in relation to Ireland's management of European Affairs. Despite Finance's attempts to lobby departments and the Taoiseach, the DFA chaired the European Communities Committee. There was concern however about appeals procedure when departments disagreed on issues. These could appeal directly to the Taoiseach's Office. But this, in the long term, not only slowed up government decision-making concerning EEC affairs but effectively leveled the playing field for all departments to discuss and debate upon. Repercussions for Ireland's membership of the EEC was not always every departments' top concern

⁵⁸ Letters from Barry (Fisheries and Agriculture) to Murray (Finance) on 30 January 1973 and letter from Slattery (Industry and Commerce) to Murray on 29 January 1973. These letters responded to Murray's earlier correspondence, NAI DT 2004/21/620.

⁵⁹ Ibid

⁶⁰ Minutes 1 March of meeting in the Department of Finance, NAI DT 2004/21/620.

⁶² Arrangements for dealing with work arising from membership of the European Communities 30 March 1973. This new draft originated in a meeting between DFA and Finance on 29 March 1973, NAI DT 2004/21/620.

in the national context. The DFA will be shown to have defended its position to the Taoiseach in specific cases but its calls could be muffled by louder and more numerous opposition within the national context. There was the danger of losing sight of Ireland's longer term membership of the EEC for immediate national concerns.

However, it is understandable why this appeals procedure emerged. Traditionally, Irish administration had been built on a spirit of collaboration. The former Taoiseach, Jack Lynch, had already set an important precedent by placing overall responsibility for European Affairs with the Department of the Foreign Affairs. No information has been located as to what the Taoiseach's reasoning was behind these moves. It is clear that some ground had been won and change had to some extent occcured. It may have been wise to slowly introduce that change. At the same time, however, the system that emerged seriously affected Ireland's membership by creating another channel of appeal parallel to the one which had been officially re-established. The Taoiseach also changed in February 1973 and Fine Gael's Liam Cosgrave formed a coalition government with the Labour Party. As early as May 1973, McCann appears to be conscious that difficulties might occur and urged that there should be senior representation from the Taoiseach's Office at all Committee meetings. That support was forthcoming and certainly helped in the Committee's early meetings. 63

The Taoiseach's role, however, remained informal. The COEU in the UK had a distinct advantage over the Irish system. It created a separate powerhouse for the administration of EEC affairs directly linked to the Prime Minister's Office. This gave it substantial authority to delegate and direct departments in gathering and processing information as well as reprimanding them if policy papers were delayed or insufficient.⁶⁴ It could push ministries to hasten policy formulation and, working from the Cabinet Office, had the political weight to do so. 65 Instead, Ireland's DFA was expected to administer and assert its own position within cabinet regarding EEC affairs. As mentioned above, this grew out of a system which favoured collective administrative responsibility but it created considerable tension, at times, among the cabinet. Added to these difficulties, later empirical chapters will highlight that the Taoiseach did not always weigh in behind the DFA and sometimes favoured Finance's approach in EEC affairs.

Modus Operandi: Department of Foreign Affairs

It is impossible to describe civil service reform uniformly. It is more akin to coastal erosion on a rugged shore which eats away and changes some parts while depositing silt and strengthening resistance in others. The Department of Industry and Commerce, for example, weathered and fought off any change as did sections of Finance while personnel within departments could see

⁶³ Hugh McCann writes to Dermot Nally asking him or a representative to attend May 1973, NAI DT 2004/21/620. ⁶⁴ Bulmer and Burch, *The Europeanisation of Whitehall*, p. 85.

⁶⁵ Ibid., p. 85.

advantages in re-organisation.⁶⁶ These uneven attitudes concerning reform were echoed in departmental readiness to adapt to membership after accession. However, if this, as Brendan Halligan writes, appears to seem like institutional schizophrenia, he reasons Irish society, which will be briefly discussed later in this chapter, was then in the midst of a "re-awakening; while half awake it was still half-asleep. The civil service was no exception and was caught in the same process of change that was affecting the rest of society."

The DEA was no exception and this is especially evident in one confidential report prepared by its Assistant Secretary S.G. Ronan for Minister Patrick Hillery on 8 January 1971 entitled "My ideas on what appears to militate against an effective DEA". This report reflects Lee's writings concerning significant differences in the quality of work preformed within the Service. Ronan cited several deficiences within the department and surmised that if it were in business we would "probably have gone bankrupt long since". He called for a "reappraisal and overhaul of the whole working of the department at home and abroad" laying emphasis on the necessity to improve the personnel and performance situation which was "feckless and uneven". There was chronic understaffing, he surmised, and a detachment between foreign policy formulation and DEA staff. Other scholars have referred to this aspect prior to membership. The service languished as a "creative organ and is chewing the cud of daily routine...As many as 50% of those recruited for the department are [were] unsuitable and the popular image of Irish diplomats abroad are [was] as pompous and inefficient cookie pushers" who were "cynical and hypocritical about their duties and some do [did] no real work at all". Morale was, he emphasised, extremely low and "reform should take place by incentivising and rewarding hard-working staff through promotion."

Staffing during this period has been surprisingly difficult to research and the DFA has not been particularly forthcoming with staff figures. However, the difficulty seems to lie in data originating in the Department of Public Service. These figures are derived either directly or indirectly form self-completed returns. But measurment errors are introduced through subjective differences in interpretation of data. Ronan's report goes some way to uncovering these.

Earlier in this chapter, hesitance to compare Ireland's insitutional structure to others in Britain or among the Six has been emphasised. However, some staff did make important comparisons and contextualised Ireland's development in foreign policy with other countries. Ronan begins his report by quoting a similar study concerning US foreign policy where

⁶⁶ FitzGerald laid great emphasis on how Industry and Commerce resisted reform. Interview on 10 September 2008. Peter Murray also indicates this in his publication. Peter Murray, *Facilitating*, pp. 274-296.

⁶⁷ Halligan, 'The Political Perspective Since 1992', in O'Donnell (ed.), Europe, The Irish Experience, p. 27.

⁶⁸ SG Ronan (Assistant Secretary to the DEA) in a confidential report 8 January 1971 entitled 'My ideas on what appears to militate against an effective DEA', UCDA P205/42.

⁶⁹ SG Ronan confidential report 8 January 1971, P205/42: 3.

⁷⁰ Peter C. Humphreys, *Public Service Employment An Examination of Strategies in Ireland and other countries* (Irish Public Administration, 1983).

"individuals played vital creative roles at different times but, by failing to stimulate new ideas, foreign policy leadership was abandoned to the White House, Pentagon and Intelligence." But he also made direct statistical comparisons between Denmark and Ireland. It is useful here to place Ireland in parallel with Denmark because firstly it acceded at the same time in the development of the EEC; has a large agricultural sector and has a similar population. But the difference in staff figures in both foreign offices is striking. Dublin had 24% of Danish staff at officer level assigned to headquarters.

Statistics presented in Ronan's 1971 Report 73

Staff in Foreign Office 1970-71	Denmark	Ireland
Total career Staff	1500 approx.	359 (total HQ inc. janitors and service people)
Number of Missions	76 (472 Hon Consuls)	27^{74}
Officers serving abroad	850 approx.	76 ⁷⁵
Officers serving in Headquarters	650 approx.	40
Other extra staff clerical,	1150 approx	
chauffeurs, messengers		

Furthermore, Denmark's EEC portfolio was shared between its Foreign Office and Finance. It contrasted with the Irish system because the Danish Ministry for Finance had led negotiations for EEC accession. This influenced the evolution and fragmentation of Danish relations with the EEC into foreign affairs and finance policy. ⁷⁶ Ireland, on the other hand, would manage its EEC affairs in the DFA although by 1980 Finance would re-adopt direct management of economic affairs concerning the EEC. Parenthically, memories were long in Irish politics and Charles Haughey, from whom Jack Lynch had taken the EEC affairs portfolio as Minister for Finance, after becoming Taoiseach actually removed the DFA and took over as chair of the Committee of European Affairs in 1980. ⁷⁷

Ronan's report emphasised the importance of that staff to the success of Ireland's foreign policy. But what type of staff took over the European Affairs portfolio? Where did their priorities lie and whether their attitudes differed from those indicated by Finance in its WP. The DFA

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⁷¹ SG Ronan confidential report 8 January 1971, UCDA P205/42 pg. 1.

⁷² Denmark's population quoted on Europa.eu as 5.5 million and Ireland's as 4.5 million at date of entry to EEC. [2014-2-26] < http://europa.eu/about-eu/countries/member-countries/denmark/index_en.htm> and <http://europa.eu/about-eu/countries/ireland/index_en.htm>

⁷³ SG Ronan confidential report 8 January 1971, UCDA P205/42.

⁷⁴ Number of missions abroad calculated in Irish Public Administration Diary. The diary began in 1967 and records staff of officer level according to position and title in each administrative department of the Irish government. *Irish Public Administration Diary* (Irish Public Administration, 1970 and 1971).

Administration Diary (Irish Public Administration, 1970 and 1971).

75 Number of missions abroad calculated from Irish Public Administration Diary 1970 and Irish Public Administration Diary 1971.

⁷⁶ Ben Tonra, *The Europeanisation of National Foreign Policy* (Aldershot, 2001), p. 117.

⁷⁷ Brigid Laffan, 'Managing' in Mark Callanan (ed.) *Closer Union*, p. 180.

essentially inherited another department's vision for Ireland's future within the EEC; was flung immediately into leading negotiations with the Six as well as managing an information campaign in the lead up to Ireland's referendum on accession. Ireland's diplomats were relatively thinly spread over 27 missions. At the same time, these circumstance also meant that the same staff had proportionately wider experience and were often cross-posted. No empirical evidence has been located as to whether these postings were considered strategically. However, diplomacy had changed considerably in an increasingly interconnected and – after membership – institutionally integrated environment. It must have been, at times, disorientating for Irish diplomats which up to this were used to using traditional bilateral channels. 78 It was certainly an advantage for the department to keep a pool of officials, familiar with the workings of the European Communities, in Headquarters, the Six, Denmark (this embassy was also accredited to Norway), and the UK. And while no empirical documentation has been uncovered to trace a deliberate strategy, a pattern does emerge by analysing the careers of some officials. The IPA diary, available from 1967, has provided this data. ⁷⁹ It is likely that promotions and postings were overwhelmingly discussed. After a ten year push to get to the negotiation table, that staff had an intimate knowledge of the EEC's political goals. But, more importantly, they were positive and enthusiastic about the role that Ireland could play in the EEC.

Hugh McCann, for example, had been assistant secretary to Frank Aiken in 1958. He became secretary of the department in 1963 and stayed in this role until and beyond membership. ⁸⁰ It is evident from oral testimonies that there was an emphasis in the department on the value of institutional memory particularly regarding Ireland's relations with the EEC. Having led the department for over ten years and through EEC negotiations, McCann was ready to move on after 1973. However, FitzGerald requested McCann to remain in his post for an additional two years after Ireland's negotiations for accession in order to help with its transition to full membership. ⁸¹ McCann had three full time assistant secretaries who helped manage the department. These would be transferred as ambassadors abroad in rotation.

Sean Morrissey's career is another example of continuity within the department regarding the EEC. He worked as assistant secretary in headquarters from 1963 until 1967. Ireland's Embassy to Belgium had initially handled its relations with the EEC but a separate mission devoted to the Communities was opened in 1968. Morrissey left for Brussels to open this new embassy in 1968 staying on until 1970 but returning to headquarters for Ireland's negotiations for membership of the

⁷⁸ Karen Gram-Skjoldage, 'Bringing the Diplomat back in Elements of a New Historical Research Agenda' (Working paper, European University Institute, 2011).

⁷⁹ This data has been taken from Irish Public Administration Diary which was published annually from 1967. It details rank and position of every official within each government department.

⁸⁰ Dermot Keogh, Ireland and Europe 1919-89, pp. 213-283.

⁸¹ Interview with former Minister for Foreign Affairs Garret FitzGerald on 10 September 2008.

EEC in 1971. As a senior official and legal advisor to the Department from 1963 until 1967, Morrissey had considerable experience in Ireland's early path toward membership and brought that experience to his new role as Ambassador to the European Communities as well as to managing negotiations from Dublin. S.P. Kennan, Ireland's former Minister Plenipotentiary to the UN, took over the mission from Morrissey in 1971. But improving relations with Amsterdam was mentioned during the Conference of Ambassadors in 1973 and, indeed, Sean Morrissey was posted to Amsterdam in 1974. ⁸² In analysing this data, seniority within the department, access to McCann and the Minister has been considered but it has proven difficult to quantify. Experience, expertise and professionalism meant that some were more suited to one mission over another. It appears, however, that Morrissey was especially talented and sent to some of the most strategically important postings at critical times.

This was repeated in McCann's selection for France and Germany. These posts were critical to Ireland's efforts for accession in the 1960s. France had blocked progress in 1963 and again in 1967. While Germany had also hesitated and questioned Ireland's motives for applying for membership in 1961. But by the early 1970s, reports both from Bonn and Paris were more sympathetic to Ireland's case. DFA staff would use these diplomatic channels to send and ascertain important stages in Ireland's progress towards membership. Continuity would be critical and E.L. Kennedy served as Ambassador to the Federal Republic of Germany from 1967 until 1970 and in France from 1971 until 1973. Similarly, MacWhite served as Ambassador to The Netherlands between 1968 until 1972 while MacDonald served as Ambassador to Italy uninterruptedly between 1968 and 1973.

These patterns were repeated among officers at a more junior level. Brendan Dillon, who had worked as Counsellor in Belgium's mission, moved to Ireland's new mission to the European Communities in 1968 ensuring overlap and consistency in its work. He was moved back to headquarters in 1969 as chief of protocol but promoted as Ambassador to Denmark in 1971. He played a significant role in Ireland's relations with Norway prior to the establishment of the Common Fisheries Policy (CFP). ⁸³ Having gained considerable experience in Ireland's application and negotiations for membership of the EEC, he became head of Ireland's mission to the EEC in 1974.

Edwin FitzGibbon's career serves as another example. Having worked as First Secretary in Ireland's mission to the European Communities from 1968, he was recruited to help establish the office for Ireland's first Commissioner in 1972. He was central to its establishment especially after

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⁸² Garret FitzGerald papers, UCDA, Conference of Ambassadors April 1973. Please note that this file was consulted with FitzGerald's permission prior to actual cataloguing in UCDA. The same file is referred to later without a file number. Some of the other files were traced after cataloguing and are noted.

⁸³ Michael Geary 'Enlargement and the European Commission' (PhD dissertaion, EUI, 2009) p. 305.

the Chef de Cabinet's effective dismissal in late February 1973.84 However, the cabinet as a resource appears to have been under-utilized by the DFA as membership progressed. Patrick Hillery, Ireland's first Commissioner, records this in his memoirs. But Hillery in particular could have been used as an important resource. He had led Ireland's negotiating team and had a thorough knowledge of the technical aspects of Ireland's accession. But Hillery outlined in his memoirs that there was "a certain disorder about the place yet [Dublin] and I [Hillery] would like a better link up with Dublin". 85 Significant opportunities for him to bear influence within the Commission could be missed due to a lack of communication and information flow. He recounts that during a meeting of the Commission on agricultural subsidies, he was able to defend and influence the situation to the benefit of the Department of Agriculture simply because he happened to already know Ireland's position from his previous role as Minister for Agriculture in the 1960s as well as his experience in accession negotations. The Commissioner expressed his frustration because "all the other governments work with their Commissioners but I [Hillery] find that the Dublin government does not". This, he blamed on the civil service or the organisation of the civil service which therefore placed Dublin at a distinct disadvantage in the Commission. Hillery cited another example regarding ERDF in July 1973 when his requests for technical information from Dublin were ignored. Hillery had intended using this information to defend and promote Ireland's position among the Nine because it looked as if French and British dealings would "lead not to quotas but percentage allocation of funds". Without that data, which never arrived, Hillery could not proceed. 86 He met with FitzGerald in August 1973 and intended speaking about this lack of co-ordination. But these difficulties are not referred to in either Hillery or FitzGerald's private papers recording this meeting. And while other empirical material concerning this particular incidence has not been forthcoming, contextualising the Commissioner's difficulties in getting information from central government with findings in the previous chapter can help understand the delay.

Finance could have provided the data the Commissioner needed but Hillery's request would ordinarily have been made through the Department of Foreign Affairs. There was considerable debate over the summer of 1973 on which line the government would take in the Commission and among the Nine and this would certainly have held up data getting to the Commissioner. But it could have been simply an administrative hold up. Ordinarily, DFA staff would have sent Hillery's request to Finance. It is unclear whether this was forwared to Finance or whether the latter acted upon it. The key point that should be emphasised is that the filtering and follow up system for information flow getting back to Brussels failed in this incidence at the DFA. Hillery never received that information and Ireland lost an opportunity to make its case amongst the Commissioners.

⁸⁴ EdwinFitzGibbon was appointed Head of Ireland's Cabinet on 22 February 1973. John Walsh, *Hillery*, p. 352.

⁸⁵ Hillery recorded this in his memoirs on 30 January 1973, UCDA P205/69.

⁸⁶ Hillery recorded this in his memoirs on 19 July 1973, UCDA P205/69.

It is unclear why Dublin was not more willing to co-ordinate with Hillery's Cabinet. It is most likely that there was genuine confusion in handling requests from the Cabinet. But Irish officials may have also feared being accused of interfering with the Commission. After all, strictly speaking that organisation defended the interests of the whole Community rather than individual member states. Hillery, for example, recounts another incidence on a plane between Dublin and Brussels in his memoirs on 19 February 1976. Gallagher secretly passed Hillery a napkin with a note detailing that "Wilson will give the nomination for Thorn next Tuesday." But when Hillery looked over at the official he awkwardly pretended that nothing had happened. The establishment of his Cabinet had been plagued by difficulty and mis-management. This has been thoroughly outlined elswhere in Hillery's biography. The DFA in Dublin and its Permanent Representative in Brussels may have wanted to keep its distance from these difficulties.

Institutional memory among civil servants became even more important because the government changed in 1973 and Garret FitzGerald took over as Minister for Foreign Affairs. ⁸⁸ The latter, while widely experienced in international affairs, was new to the department and to Cabinet. Ireland's top foreign policy priorities in the 1960s had been: changing its economic direction toward the EEC; strengthening bilateral relations with the EEC and with the UK concerning NI. Those policies had been planned by a combination of Industry and Commerce, Finance, the Taoiseach and Foreign Affairs. However, after negotiations the DFA would become fully responsible for managing Ireland's relations with the EEC. Indeed, these as well as Ireland's foreign policy direction and concerns in light of EEC membership were discussed among DFA staff at a Conference of Ambassadors (16-19 April 1973). Those minutes are significant because they reveal a new departure and even excitement on the part of DFA officials. Within a short space of time, their situation had changed significantly. And now, from within the EEC, officers such as Hugh McCann, Sean Morrissey, and Ronan Kennedy could use their considerable experience to influence and even shape Ireland's relations with the EEC.

New Perspectives: Ireland after accession

The Conference of Ambassadors represented a significant re-launch of Irish foreign policy; having strongly emphasised nationalism in the 1950s to a formal acceptance of full inter-dependence within the Community in the Irish Parliament in 1973. Being new to this ministry, FitzGerald wished to arrange in essence a symposium where ideas, aspirations and opinions could be

⁸⁷ Hillery's Memoirs on 19 February 1976, UCDA P205/72.

⁸⁸ A new coalition government led by Liam Cosgrave in Fine Gael and Brendan Corish of the Labour Party. J. J. Lee *Ireland 1915-1989* (Cambridge, 1989), p. 469. Fitzgerald was a senior member of Fine Gael and was appointed to the DFA in 1973. His flamboyant and dynamic style is referred to by Dermot Keogh, 'Department of Foreign Affairs', in Zara Steiner (ed.) *The Times Survey of Foreign Ministries of the World* (Times Books, London, 1982), p. 283.

⁸⁹ Dail Debates, May 1973, [2nd February 2014] http://historical-debates.oireachtas.ie/en.toc.dail.html

exchanged openly and concurrently between all officials. ⁹⁰ These arrangements actually "broke every rule in the book" due to its cost but it had already been arranged before objections could become too numerous. ⁹¹ Other researchers have demonstrated, having analysed discourse throughout this period, how nationalism became increasingly linked to membership of the EEC while, at the same time, detaching itself further from the UK. Membership also became associated with modernity and progression. The conference is significant in the history and evolution of Ireland's foreign policy. It will, however, be analysed here in relation to what the conference reveals about the priorities and attitudes of DFA staff in the wake of Ireland's accession.

These Ambassadors were well-experienced particularly in European affairs and had been present, at a more junior level, in the Department during Ireland's negotiations for membership of the Communities. Admittedly, initial talks with the Communities in the 1960s had been primarily managed by the Department of the Taoiseach and Finance. However, this staff had had an intimate knowledge and memory, through the accession talks, of the workings and political objectives of the institutions. As the former chapter of this dissertation has demonstrated, Ireland's overemphasis on economic rather than political integration had damaged its reputation among the Six in 1961-3. Implementation papers recognized that Ireland was the weakest, economically, of the member countries and it was in its interests to support European policies designed to harmonise economic, social and related standards. 92 By accession in 1973, the government had positioned Ireland as a Member state which would "contribute positively towards the creation of a united Europe. EEC policies designed to harmonise economic, social and related standards were discussed as being in Ireland's direct interests. But Ireland could support the harmonisation measures for 'good European reasons' which made it unnecessary to follow simply 'narrow policies dictated by obvious selfinterest'. 93 In short, it would be a psychological insider within the integration process."94 In summing up his opening speech, FitzGerald emphasised the necessity for Ireland to participate fully at the Community level.

No matter how Community-minded our partners may be, they still remain national states and we can hardly expect to take from them all the time and give nothing in return. If this were to be the case, then in the long term we will run the risk that our interests will receive less than due consideration.

⁹⁰ Interview with Garret FitzGerald 10 September 2008.

⁹¹Ibid

⁹² FitzGerald in his opening speech at the Conference of Ambassadors in FitzGerald Papers, Minutes of Conference of Ambassadors in April 1973, UCDA P215/423.

⁹³ Conference of Ambassadors minutes in Garret FitzGerald private papers, UCDA P215/423.

⁹⁴ Brendan Halligan, 'What Difference Did It Make?-Setting the Scene' in Rory O'Donnell (ed.), *Europe: The Irish Experience*, p. 29.

But FitzGerald also warned that "a member of a club who takes everything going and gives nothing in return rapidly looses the esteem of his fellow-members". 95

However, coupled with responsibility was a sense of ambition and this is clearly expressed at the Conference of Ambassadors. The sense of frustration due to economic dependence on the UK experienced by Irish policy makers particularly between 1961 and 1965 has been emphasised above but from within the Communities, as a full member state, it could now act. 96 The Conference of Ambassadors took Irish foreign policy formulation a step further. It formulated a strategic foreign policy agenda from within the Communities. While the government recognised that, after accession, it would have to embrace interdependence and bend its policy aims around larger European and international developments. The Irish Government, for the first time, tried to anticipate and plan its policy to fit in with, if not pro-actively compliment, wider European integration policy. 97 It is significant that during this period the Irish Government developed a third world aid programme. 98 This had been debated as a national policy. In parallel, the Six had also been considering implementing a third world aid programme. Proposed at the Conference of Ministers, it demonstrates considerable imagination and serves as an interesting example of Ireland taking example from the Six's plans regarding the developing world. Indeed, the Chancellor of Germany remarked that he was surprised that Ireland, as one of the most underdeveloped European partners, was actually committing aid. 99

Ambassador Ronan's final comments emphasised the importance of promoting and defending the interests of smaller states. He pointed out that on principle 'we [Ireland] should oppose proposed Community decisions which go against our interests but considerations of tactics were very important and be conscious of the wider Europe interest.' The veto was nevertheless valuable in terms of protecting our interests such as the CAP. Tactics, indeed, would become very important especially during Ireland's Presidency and the Irish Government managed to bend its interests tactfully within the ambit of the Communities wider ideals. It is significant that Ireland should support and implement initiatives such as Quality Majority Voting (QMV) during its Presidency in 1975. That determination to express its 'Europeanness', as well as its willingness to act in an 'imaginative and constructive' way was demonstrated from adhesion and in particular in its determination to make Ireland's First Presidency of the European Council a success.

⁹⁵ Speech by FitzGerald in minutes of Conference of Ambassadors, April 1973, UCDA P215/423.

⁹⁶ Alan Milward, *Politics and Economics in the history of the European Union* (Routledge, 2005), p. 29.

⁹⁷ Keating puts forward the view that "Ireland's role of being imaginative and constructive" was all the more necessary due to its non involvement in any military alliance. Patrick Keating, *A Place Amongst the Nations* (Institute of Public Administration, 1978), p.197.

⁹⁸ Kevin O'Sullivan, Ireland, Africa and the End.

⁹⁹ Interview with Garrett FitzGerald on 10 September 2008

¹⁰⁰ Minutes of Conference of Ambassadors, April 1973, UCDA P215/423.

But despite this optimism, Anglo-Irish relations took up a large proportion of discussions at the Conference. Since the establishment of the Irish Free State in 1922, Irish diplomats had emphased its independence from the UK. However, Ireland remained economically dependant on its neighbour as its biggest export market. EEC accession was perceived as providing a path away from economic dependence towards a form of interdependence within a larger community. The ambassadors were confident and some actually expected Anglo-Irish relations to improve after membership. Practical suggestions were made. FitzGerald reflected for example how both countries could benefit from regional funding available for cross-border projects. Ambassadors were also wary of creating a form of sub-group within the Community. The Benelux had a special relationship but it "must be careful to avoid any suggestions that, beause of disparity in size and economic strength, Ireland is an adjunct or subservient to Britain". Ireland's ambassador to the UK, D. O'Sullivan, outlined that EEC membership should be used to the maximum extent possible to reduce Ireland's economic and cultural dependence on Britain. It should also be availed of to "reassess and/or the Anglo-Irish relationship in the context of multilateral relations particularily within the EEC". He stressed that there are many aspects of trade and economics where Irish and British policies diverge significantly. Instead, Anglo-Irish affairs could, it was felt, be improved by adopting the following tactics; strengthening Ireland's relations with the US and its cultural links with mainland Europe as well as ameliorating social services in the South on a par with those available in Northern Ireland. 101

Discussions between ambassadors reveal that EEC membership was perceived as having a significant effect on Anglo-Irish relations. Lee refers to how colonialism can influence policy makers profoundly. 102 This can have important repercussions for their confidence and how they interpret and problem solve. These traits can be highlighted at this Conference. The ambassadors were extremely concerned about information released by the British government and army concerning conflict in NI. Negative information could influence Ireland's reputation and complained that domestic information services are no longer sufficient because "though not involved in a propaganda war we [Ireland] are engaged in a polite and non-explicit competition with British Government Information Services". Its position vis-à-vis the British Government is perhaps best described as "engaged in a constant, polite and unacknowledged jockeying for position in information matters, which we [policy-makers] must not allow to degenerate into a propaganda war". 103 It is questionable whether the British government even considered Anglo-Irish affairs as changing in light of membership of the EEC. Indeed, British officials did not share Irish enthusiasm to apply for and manage cross-border projects which would have been provided in ERDF.

¹⁰¹ Minutes of the Conference of Ambassadors, UCDA P215/423.

¹⁰² J. J. Lee, *Ireland* (1989), pp. 643-658.

¹⁰³ Implementation Papers in Minutes of Conference of Ambassadors in April 1973, UCDA P215/423.

These discussions also reveal that ambassadors wished to communicate its policies in general with the electorate. This, Patrick Hillery, had begun in 1971 by increasing the number of press conference and access to information concerning Ireland's foreign policy. This marked a strong contrast with earlier reticience in the 1950s and early 1960s.

Conclusion

This chapter serves as an important basis for subsequent empirical chapters. It underlines the administrative challenges facing Ireland as a new member state of the EEC. It is important to examine Ireland's public administration, its developments and adaptation because it lays the groundwork for as well as have considerable consequences for Ireland's early years of membership. It argues why there was no significant administrative adaptation after Ireland's membership of the EEC by presenting empirical as well as secondary findings.

The DFA essentially inherited another department's EEC portfolio in 1971. This created considerable upheaval. But, interim measures, it is argued, such as dividing negotiations from preparation of national figures between Finance and the DFA did not assist the latter's transition as gatekeeper of EEC affairs. Indeed, management of negotiations established patterns that were difficult to untangle. These difficulties were recognised by the DFA in March 1973. But resistence was strong and Finance lobbied other departments to give the gatekeeping role to the Taoiseach's Office. But any chance of re-adaptation in light of membership would be affected by general civil service reform. While some aspects of reform were implemented, highly significant change did not emerge. A clash of administrative cultures is apparent between those who were willing to take on change and those resisting it.

Despite a lack of general administrative reform, DFA staff make an important mark on Ireland's re-launch from within the Communities. Having worked on Ireland's application for membership of the EEC in the DFA during the 1960s, its diplomats were keenly aware of the importance of projecting a postive, pro-integrationist image within the Communities. Concern persists about how the latter in relation to NI may have affected Ireland's role and potential within the EEC. It is evident that the UK continued to play an important role in policy making and sometimes strongly influenced general discussions.

Tús maith, leath na hoibre is a common Irish expression meaning a good start is half the work.¹⁰⁴ But many difficulties especially in Ireland's administrative preparation, initiation and structure as a full member of the EEC remained and will be shown to have haunted and created significant difficulties for its early years of membership.

¹⁰⁴ Irish expression meaning "a good start is half the work done".

Chapter III

Getting Down to Membership –

Managing European Regional Development Funds 1973-1975

Introduction

The development of Ireland's management of EEC affairs had direct consequences for the way it approached implementing policy. As outlined in the previous chapter, a considerable split in its management of EEC affairs between the Foreign Affairs and the Department of Finance emerged. But this had direct repercussions on specific policy areas such as Ireland's management of European Regional Development Funding (ERDF) internally and with its EEC colleagues. Finance took the lead in establishing procedures for administering ERDF internally while the DFA substantially managed negotiations with the other Eight member states and the Commission. And while the two tackled the latter on very different fronts, this chapter underlines the varying visions, motivations and consequentially approaches that both adopted. At times, however, internal adaptation had a considerable impact on Ireland's negotiations with the Commission and the Eight. Strategies clashed and mistakes were made.

On the one hand, Finance was keen to optimise funding, manage allocation centrally and continue state grants to industry. It focused its attention on national concerns. The DFA, on the other hand, had a broader vision and was more attentive to the needs and concerns of its EEC neighbours. It hoped to help implement a strong regional policy, respecting eligibility criteria, and become an example of what ERDF could do for countries with significant regional imbalances. This strategy could reap further gains down the line. This chapter highlights the consequences of miscoordination as well as power stuggles and rivalries between departments and their impact on Ireland's membership of the Communities.

ERDF in the Commission and amongst the Nine

Awareness of regional disparities in Europe had been established as early as the Treaty of Rome in 1957 and although it included no commitment to the creation of a Community regional policy it did however provide a general objective of promoting "a harmonious development of economic activities". That issue became even more pressing in light of plans to work toward European Monetary Union (EMU) at The Hague in 1969. The Werner Committee, appointed by the governments, considered the 'implementation of economic and monetary union in three stages and

¹ Ian Bache, The Politics of European Union Regional Policy (Sheffield Academic Press, 1998), p. 31.

within ten years'. But it also outlined the Community's wishes to reduce regional and social disparities. The Werner Plan, "launched so audaciously in 1972 with a target date for full implementation of 1980" hardly got off the ground and "plans for EMU were essentially shelved by 1975". However, there was considerable interest among some member states particularly those with severely under-developed regions such as Ireland, the UK, Denmark and Italy to push plans for ERDF. But the establishment of ERDF had also been an important element of accession negotiations and would later also become significant to the UK's re-renegotiations in 1975.

It was clear, however, from the first meeting that wider conflicts and tensions abounded among Council members concerning the classification of zones as well as the allocation of regional funds. Indeed, the first stumbling block in negotiations directly affected Ireland's strategy for attaining regional funds.⁷ The meeting opened with an immediate confrontation between the UK and France and Germany. The latter had requested its areas of development and special development to be included in the peripheral regions of the Community. But the classification of zones became a significant bone of contention amongst the Nine. The French objected because peripheral regions were characterised as being largely agricultural, on the periphery or industrial areas in transition. Those features, according to the French, did not apply to the areas that the UK was now nominating as peripheral. This issue was debated and resolved over the summer of 1973. In the meantime, however, it affected Ireland's hopes that the "entire territory of the 26 counties" including Dublin would be considered as part of the peripheral regions". That strategy, pushed by Finance and debated inter-departmentally, will be analysed in more detail later in this chapter.

But widening the definition of peripheral areas could also have advantages for the UK concerning the competition policy. But why and how were these policies related? Firstly, areas classed as "objective 1" were essentially entitled to more funding in accordance with eligibility criteria. It was optimal, therefore, for member states to have as many zones as possible classed as objective 1. The UK attempted to do just that and it attempted to classify agricultural areas as well as run-down industrial areas and Northern Ireland as peripheral. But Irish sources indicated that the British connected "the designation of peripheral regions under competition policy with the designation of development areas under regional policy on the basis that what was suitable for one

² Eric Bussiere, Michel Dumoulin and Sylvain Shrimann, 'The Development of Economic Integration' in Wilfried Loth, *Experiencing Europe* (Auflage, 2009), p. 60.

³ Report available on line page 9 [18 June 2014] http://aei.pitt.edu/1002/1/monetary werner final.pdf>

⁴ Desmond Dinan, Ever Closer Union, p. 92.

⁵ Schaub, Marco European Regional Policy The Impact of Structural Transfers and the Partnership Principle Since the 1988 Reform (Perdue University Press, West Lafayette, 2000), p. 31.

⁶ John Walsh, *Hillery*, pp. 304-308.

⁷ Note from DFA secretary to the Ambassadors in London, Copenhagen, Paris, Brussels, The Hague, Bonn, Rome and the European Communities on 4 June 1973, NAI DFA 2004/7/2250.

⁸ The latter issue was resolved on the coattails of Thomson's agreement for UK categorisation in the summer of 1973.

⁹ Note on meeting of the Nine on 8 May 1973, NAI DFA 2004/7/2250.

policy was also suitable for the other". ¹⁰ Industrial grants would ordinarily infringe competition policy. But category 1 zones would be exempt. This would give individual member states considerable flexibilty in arranging industrial grants. But it was unlikely, McCann concluded, that France and Germany would favour a regional policy intended both to "compensate Britain for the CAP and to bail out Britain's run-down industrial areas". ¹¹

An element of competition policy had existed since the very foundation of the Treaty of Rome and it became an important element of the *acquis*. "Competition came to be and, still is considered, one of the central means to promote European integration and to realize the goals laid out in the treaty establishing the EEC". Directorate General IV defended the principle of competition as the basis of the common market; Von der Groeben and this directorate were considered a "fortress against French dirigisme and planning". Irish correspondence indicates that France and Germany understood British motivations and used competition as an effective argument against British claims.

And while the Commission's aspirations were to redress and help improve true regional imbalances in individual member states, a re-distrubution of funds, based on population, became more likely as the debate advanced. Ireland resisted that heavily and emphasised that this type of diffusion of funds contradicted the very principles on which the ERDF had been based. However, it was evident over the summer of 1973, that Ireland's endevours could fall prey to larger difficulties between members within the same multi-lateral group. The frustration of Irish officials was palpable in the same report which noted that the whole of NI was classed as peripheral despite the fact that Belfast's living standards are far higher than that of Dublin. Ha This demonstrated the "artificiality of the division into central and peripheral regions" as well as the "competition between member state which was likely to be not over-generous with community aid". Is Ireland's policy makers now faced the dilemma of positioning themselves among other member states on how the ERDF should develop and be distributed. And although it had already been acknowledged that Ireland's regions had proven to be some of the most underdeveloped in the EEC, it would be necessary for Ireland to promote and make its case to secure extensive funding.

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¹⁰ Circular from the Secretary McCann of the DFA to all Ambassadors on 4 June 1973, NAI DFA 2004/7/2250.

¹¹ Note from DFA Secretary to Ambassadors in London, Copenhagen, Paris, Brussels, The Hague, Bonn, Rome and the European Communities on 4 June 1973, NAI DFA 2004/7/2250.

¹² It was initially part of Political Economy and Finance and later was established as a separate directorate. Katja Seidel 'DGIV and the origins of a supranational competition policy' in Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen (eds.), *The History of the European Union*, p. 130 and pp. 133-134.

¹³ FitzGerald issued a statement objecting to the fund's small size in July 1973, NAI DFA 2004/7/2252.

¹⁴ Note from Gallagher to Nally on 24 August 1973, NAI DFA 2004/7/2245. Gallagher, DFA, refers to this 28 August 1973, NAI DFA 2004/7/2250.

¹⁵ Note on meeting of the Nine on 8 May 1973, NAI DFA 2004/7/2250.

¹⁶ "Rapport analysant les problems qui se posent dans le domaine regional a la communaute elargie" prepared and presented by the Commission in April 1973, HEAU BAC 3 1974.

FitzGerald would later comment that the Regional Fund had "bitten deeply into Irish consciousness" and there is a sense of that importance and urgency in national media reporting as early as May 1973. It reland had insisted on the assurance of the establishment of ERDF at the time of accession. It was an integral part of Ireland's plan for economic development. Rory O'Donnell has outlined the reasoning employed by politicans and advisors in this period. The objective of Irish economic policy had been the industrialisation of the country. But the achievement of a satisfactory level of economic development was considered to require industrialisation. For this reason "regional policy in Ireland has been viewed as an extension of industrial policy". That had been managed by Finance and the Department of Industry and Commerce in the 1950s and 1960s. Recognition and commitment to improve regional imbalances within the Irish economy on the part of government can be witnessed in the 1952 Underdeveloped Areas Act. But by the late 1950s, Ireland pursued industrialisation by means of export growth and regional policy took a back seat. Some national consultants even argued that widespread regional dispersal could actually constrain economic growth.

By the early 1970s, debate opened once more and the IDA published a Regional Development Plan in 1973.²² Some favoured the development of a small number of growth poles and those who favoured wide dispersal of industrial projects. The IDA's plan came down on the side of the latter. But these projects, managed by the National Industrial Policy Agency, were largely foreign-owned and the latter had considerable discretion in offering different levels of grant aid and in bringing foreign industrialists to specific locations.²³

The ERDF was essentially envisaged by some actors as supplementing government's existing plans for regional policy. And that was intrinsically linked to industrial policy in Ireland. The importance of ERDF is also reflected among senior ranks particularly in Finance, Industry and Commerce, Local Government and the DFA. Although Finance and the DFA would later differ regarding how ERDF would be implemented, they initially agreed upon its importance and potential benefits for Ireland. Regular, detailed diplomatic reports from the other eight member states, as well as the Permanent Representative in Brussels not only highlight the ERDF as extremely important to the national administration but testify to the increasing specialisation and professionalization of Irish staff in EEC related affairs. Information gathering in the capitals is one essential level but also intelligence was anticipated, requested, gathered and fed back into inter-

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¹⁷ Garret FitzGerald to the Taoiseach regarding the Regional Fund on 22 April 1975, NAI DT 2005/151/328.

¹⁸ 'EEC Regional Development Plan agreed by Ministers', *Irish Independent*, 15 May 1973.

¹⁹ John Walsh, *Hillery*, pp. 304-308.

²⁰ Rory O' Donnell 'The Internal Market' in Patrick Keatinge, *EEC Membership Evaluated*, pp. 7-41.

²¹ Rory O' Donnell 'Regional Policy' in Patrick Keatinge (ed.), *Membership Evaluated*, p. 61.

²² 'The Regional Development Plan' published by Industrial Development Authority (Dublin, 1973).

²³ Rory O' Donnell, 'Regional Policy' in Patrick Keatinge (ed.), *Membership Evaluated*, p. 61.

departmental meetings by the DFA. Vying for the establishment of ERDF as well as securing a significant proportion for Ireland will be demonstrated to have been prioritised in Ireland's relations with the Commission and among the other eight between summer 1973 and autumn1974. This was the context into which Ireland prepared to apply for European Regional and Development funding.

Administering ERDF

In August 1987, the European Commission presented the Council with its view on how the structural funds could be made more effective. It proposed that they should be doubled by 1993; resources should be concentrated on a set of five specified objectives focusing the funds on areas most in need of support; a more active role for the Commission in the design and implementation of the structural policies; regional development plans and programmes, rather than individual projects should be submitted for funding by the Commission; different levels of government should be involved in the prepartion, financing, monitoring and assessment of development programmes.²⁴ These proposals represented the Comission's long-standing views about reform of Community Regional Policy and proved contoversial in the Council of Ministers. But these points are interesting in terms of this research which will trace how Ireland dealt with applying for and administering the ERDF. The Commission highlights a number of features of national administration which would help improve effectiveness. These were lacking in ERDF applications prior to 1987 and can be traced and highlighted in Ireland's case.

Ireland proved successful in securing 6% of total European and Regional Development Funding between 1975 and 1978 which increased to 6.46% between 1978 and 1980.²⁵ But tracing the administration of ERDF funds in Ireland underlines its struggle to establish a joint approach between departments towards the Commission; failure to design and plan long-term structural policies and programmes and involve different levels of government in the preparation, financing, monitoring and assessment of development programmes.

The previous chapter outlined that essentially, distinction between foreign and domestic policy had been blurred by Ireland's accession because of the participation of domestic departments in the process.²⁶ This split the EEC affairs porfolio and that division would affect Ireland's administration of ERDF. It challenged Ireland because it required an interpretation of policy at home as well as abroad. An inter-departmental committee dedicated to regional funds prepared data and information on specific cases and these were nominated for funding. That committee included representatives from Finance, Local Government, DFA, Industry and Commerce and DFA. Finance

²⁴ Ibid., 64-65.

²⁵ Ibid., 65.

²⁶ Brigid Burns and Trevor Salmon, 'Policy Making Co-ordination in Ireland on European Community Issues', *Journal* of Common Market Studies, Vol. XV (1977).

chaired the committee and effectively had considerable power over the nomination of projects to Brussels. Other departments such as transport and power and agriculture also attended when technical expertise was needed.

On the other hand, Ireland would also have to keep abreast of the development of regional policy in other member states and in the Commission and act to defend, promote and strengthen the fund. The DFA managed this aspect. The fund was in danger of not only being diluted but also being distributed according to quotas rather than real need. Ireland strove to push its case as a worthy candidate. It was important, therefore, that its application for funding was managed delicately and that it pinpointed areas of real difficulty in order to highlight Ireland's case for funding to the Commission and in so doing underline the need to extend the fund and discredit financing based on a quota system.

The Department of Finance prepared applications for the latter but it did not always appreciate the wider implications of its actions to the future of the fund. It had lost its central role in European Affairs but was keen to retain power over economic and monetary policy-making. One meeting on 7 August 1973, hosted and chaired by Finance, indicates a central role for Finance in the preparation of material co-ordinating and delegating responsibilities to departments. Briefing material was required for Irish Ministers but that material should "be suitable to be also forwarded to COREPER, working parties and other Brussels Committees, EP members and Economic and Social Committee members" and "presented before the end of August in preparation for the Council of Ministers on 20th September 1973". But that co-ordinating role particularly concerning the European institutions would ordinarily be taken care of by the DFA. Guidelines were grey and rivalry is palpable between departments. Eighteen officials attended the same meeting: two from DFA and eight from Finance. High attendence illustrated Finance's persistence and interest in regional policy. Officials should, Doyle went on to instruct, study projects or programmes that the Department 'found suitable for fund assistance but which were held back due to a lack of finance.'28 But this situation was complicated by the fact that there was no adequately staffed central department such as the European Unit in the Cabinet Office (COEU) in the UK which delegated, forwarded policy information and papers to relevant departments. Denmark had also adopted similar procedures to the UK.²⁹

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²⁷ Meeting held at Finance on 7 August 1973 concerning the regional policy. Finance, DFA, Local Government, Industry and Commerce, Transport and Power, Labour and IDA were represented by 18 officials, NAI DFA 2004/7/2245

²⁸ Meeting held at Finance on 7 August 1973 concerning the regional policy, NAI DFA 2004/7/2245.

²⁹ In the spring of 1972, the Danish government laid down procedures for "dealing with EEC matters in order to ensure, through the Department of Foreign Economic Affairs, a centralised control in relation both to other administrations and to the Ministry in general". It was keen to implement the most efficient system for dealing with EEC matters. This had been studied and reviewd since 1966 and the system came into effect on accession from 1 January 1973. Klaus Kjolsen, 'The Royal Danish Ministry of Foreign Affairs' in Zara Steiner (ed.) *The Times Survey of Foreign Ministries*, p. 177.

While Finance gathered data and analysed the best way of presenting Ireland's case for funds in fiscal terms, DFA intelligence indicated that the ERDF was likely to start in a very modest way. The Commissioner for Regional Policy, George Thomson had aspired to "distributing funds according to the relative needs of each region" and avoiding "the old non-communitaire concept of *juste retour*". And, as tensions concerning fund distribution between larger member states strengthened, those aspirations would increasingly unravel over the summer of 1973 and a quota system became more likely. The real difficulty among the larger member states concerning the fund would become how the fund would be financed. Refraining initially from an offensive approach, FitzGerald emphasised the importance of the size of the fund as well as the inclusion of emigration and unemployment in conjunction with each other in the categorisation of areas in May 1973.

But concerns about the small size of the fund were well-founded and confirmed by the Commission in July 1973.³⁴ FitzGerald had rejected Commissioner Hillery's information that the French and British had done a deal on 26th July 1973 because his meeting with the French did not indicate this. This led Ireland's Commissioner to comment that this was a very naive view because "the French do not tell their mind to anybody". But Hillery recounts that it had taken him a long time to verify this information and that "Garret [FitzGerald] talked so much, they [the French] probably didn't trust him". FitzGerald's attitude changed over the summer of 1973. Commissioner Hillery commented that Thompson was quite disturbed about FitzGerald's determination and described him as being quite militant about doubling the regional fund. Second confirmed by the commissioner fund.

Over the same summer Finance, the DFA, Department of Local Government and the Department of the Taoiseach in particular had an input into drafting several reports concerning Ireland and the Regional Fund.³⁷ Analysing this drafting process highlights Ireland's priorities as well as tensions amongst administrators and politicians. It is evident from these minutes that administrators and politicians were acutely aware of the nature and complexity of intergovernmental bargaining among the other eight member-states concerning ERDF, the interrelations between policy areas, and Ireland's relative weak positioning within that grouping of Nine.

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³¹ Thomson quoted in the Minutes of the European Council on 14 May 1973, NAI DFA 2004/7/2250.

³⁴ FitzGerald issues a statement objecting to the fund's small size in July 1973, NAI DFA 2004/7/2252.

³⁰ Report on the meeting between COREPER and Commissioner Thomson concerning the regional funds in preparation for the European Council on 14 May 1973. (No date specified for this meeting), NAI DFA 2004/7/2250.

The rationale and objectives behind British claims was to "obtain back, under Community regional policy, 25% of her contribution to the community budget Report prepared by Mr Coghlan from Mr Ciardhubhain from Department of Finance concerning the 'Establishment of a European Regional and Development Fund' dated 16 July 1973, UCDA P215/265

Minutes of the European Council, statement by Irish Minister for Foreign Affairs Garret FitzGerald on 14 May 1973.

Hillery refers to French friends Deniau, Lipkowski and d'Harcourt in his memoirs on 26 July 1973, UCDA P205/69.
 Memoirs of Patrick Hillery during his time as Commissioner of the EEC recorded on 18 September 1973, UCDA P205/69.

³⁷ Finance draft of report concerning Ireland and ERDF on 3 May 1973, NAI DFA 2004/7/2250.

Another vital subject discussed was the type of strategy which the Irish government should adopt at the upcoming meeting of the Council of Ministers on 20 September 1973. Differences of opinion also emerged for the first time among Departments concerning the implementation of ERDF at a national level.³⁸

Finance favoured adopting and classifying Ireland 'as one region' while DFA and Local Government objected. The Taoiseach's Office came down on Finance's side on 2nd May 1973.³⁹ And although some DFA staff such as Eamon Gallagher will be shown to have accepted and worked with the Taoiseach's decision and presented this strategy to the Commission over the summer 1973, opposition among DFA and Local Government staff is still recorded by August 1973. There was a detailed debate among Representatives from the Departments of Finance, Local Government, DFA, Industry and Commerce, Transport and the Irish Development Agency on 7 August 1973. The DFA reported that it was increasingly accepted in Brussels that issues cannot be considered separately from one another and that efforts will be made to conclude a major Community trade-off or package before the end of the year. 40 Indeed, by late 1974 each member state had at least one crucial issue determining its attitude towards European integration: the British wanted to renegotiate British participation to the EEC; the Italian, Dutch and Irish governments were seeking the creation of a regional fund; the Benelux sought agreement on direct elections and Germany on establishing an energy policy. 41 A preference for the centralisation of government policy and services emerged. And it would have repercussions for Ireland's future membership and projection within the Communities. Adaptation to membership was therefore at times haphazard and that situation was compounded by political rivalry between the DFA and Finance regarding control of the European affairs portfolio.⁴²

Finance calculated that Ireland could argue for greater funding if it applied for ERDF by taking a 'one region' approach. But, the Department of Foreign Affairs (DFA) and Local government disagreed because Finance's approach might make it difficult for Ireland to argue that national infrastructure operations should be regionally orientated e.g. ESB plans. Furthermore, including Dublin, as a more developed region, would push objective criteria up and distort the reality in poorer regions. Drury, Department of Local Government, and O'Leary, DFA, argued against this approach citing that "Brussels would probably want more detailed project plans than

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³⁸ Minutes of inter-departmental meeting concerning the ERDF on 7 August 1973, NAI DFA 2004/7/2245.

³⁹ Finance (signature unclear but it is likely to be Doyle in Finance) to Brendan Dillon (Assistant Secretary DFA) 3 May 1973, NAI DFA 2004/7/2250.

⁴⁰ The DFA report is not dated but appears to be issued in order to supplement inter-departmental minutes of 7 August 1973, NAI DFA 2004/7/2245.

⁴¹ Emmanuel Mourlon-Druol, 'Filling the EEC leadership vacuum? The Creation of the European Council in 1974', *Cold War History* Vol. 10, No. 3 (2010), pp. 315-339.

⁴² Minutes of inter-departmental meeting concerning ERDF on 7 August 1973, NAI DFA 2004/7/2245.

⁴³ ESB refers to Electricity Supply Board.

simply national programmes". 44 This issue appears technical but it would have important repercussions for how projects were selected nationally for inclusion in an Irish application for regional funding. Essentially, it advocated and justified a centralised system for project nomination based in Finance. Classifying Ireland as a whole would also allow flexibilty in ear-marking funding. Applications were effectively processed by Finance and the IDA and this undermined the DFA's position as gatekeeper of European Affairs.

This situation also highlighted a significant clash in administrative cultures. Finance's report argued why Ireland should be considered as one region. It outlined that a region should be: highly integrated with the economies of surrounding areas; of a size which is reasonable in relation to that of the larger unit of which it is a part; should have a substantial degree of homogeneity. But here Ireland was nominated as a region in relation to the UK emphasising its reliance on the UK for trade, that the Irish pound is at *de facto* parity – with the pound sterling and is effectively in monetary union. The Irish and British labour markets are well-integrated and that migrationally Irish emigrant workers behave as if Ireland were a British region. It was also argued that Ireland was decidedly small with a population of 3 million or 1.5% of the enlarged community. It compared with an average population of the standard British region which was estimated at five million. The second section demonstrated that Ireland was a particularly under-developed region with the highest unemployment of the Nine at 6.3% and there was also a higher rate of employment in agriculture, forestry and fishing than in 87 of the 98 basis regions of the original Six. It was argued that there was a lower percentage of total employment in the secondary (industrial) sector in Ireland. Only three other regions shared these figures. These positions also supported the homogeneity of the region.45

While the report acknowledged that accession to the community will cause the Irish economy to become yet more highly integrated with that of the rest of the community, the report reveals inertia among some Irish policy thinkers. One historian has commented that treating Ireland as one region enabled administrators to avoid having to designate regions and effectively formulate a well-researched regional policy for Ireland. The report highlights that "efficient central administration for the area will be facilitated if the number of regions is small". But this had the added advantage of administering any potential funds centrally, rejecting an opportunity for local government reform for its operation at local level. Indeed, while local authorities were heavily

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⁴⁴ Meeting held at Finance on 7 August 1973 on regional policy, NAI DFA 2004/7/2245.

⁴⁵ Finance draft report entitled "The Case of Ireland in the identification of regions for economic and social policy purposes at Community level" in May 1973, NAI DFA 2004/7/2250.

Joe Lee, *Reflections*, pp. 49-57.

⁴⁷ Finance draft report entitled "The Case of Ireland in the identification of regions for economic and social policy purposes at Community level" in May 1973, NAI DFA 2004/7/2250.

involved in the actual spending of EU Structural and Cohesion Funds, a highly centralised system of managment meant that it was restricted in deciding on priorities for EU spending.⁴⁸

Analysing these files reveal another important issue. Finance was aware of the UK's attempt to define the largest portion possible as peripheral. In doing so, the latter would have more flexibilty in helping, without interfering with competition policy, certain declining industrial areas. This issue is remarked upon by Finance and while it is not referred to directly in Ireland's case, it is likely that Finance had also made calculations in this regard. Indeed, Ireland, through the IDA, had pursued an active policy of providing tax breaks and grants to industry setting up in Ireland. This, O'Donnell has demonstrated, continued into membership and figures are striking. In 1975, for example, 73.3% of ERDF grants were made available to industry/service while only 26.7% was made available to infrastructure projects. These percentages got closer as membership progressed and by 1976 infrastructural projects were alloted 63.3.% of the fund while industry/service received 36.7% of ERDF funding. Classifying Ireland as one region had the distinct advantage of essentially cushioning it from the rigours of the competition policy. The Irish government could continue giving grants to industry.

Commissioners were aware of Ireland's policy to date. During a trip to the UK,
Commissioner for Competition Administration and Personnel, Albert Borschette, had been shown
an IDA advertisement offering tax free concessions for industry setting up in Ireland. Borschette
mentioned this to Hillery in conversation because Chataway, UK Minister for Industrial
Development, had asked him why the Commission was being so strict with the British while
allowing the Irish to do this. The UK, Hillery answered, 'always do dirty tricks'. ⁵¹ But, perhaps,
Chataway had a point. The Commission had rejected Ireland's claims to one region status on 8th
May 1973 because "the Six are not so much concerned to ensure that Dublin is in the "central
areas" as to avoid any breach in the logic of article 154 which might benefit the British". ⁵² But the
Commission also defended a Council Resolution on 20 October 1971 which stipulated that
"regional aids must not cover national territory as a whole (with the exception of Luxembourg)". ⁵³
By September 1973, having received an application for 'one region status' from Finance, the
Commission accepted its claims and allowed Irish applications to proceed along this basis. The
Commission's actions are striking. France and Germany objected to British classification of zones
because it had the potential of indirectly interfering with competition policy, it ignored Ireland's

⁴⁸ Brigid Laffan, 'Ireland: A Region without Regions – the Odd Man Out?' in Liesbet Hooghe (ed) *Cohesion Policy and European Integration* (Oxford University Press, 1996), p. 414.

⁴⁹ Rory O'Donnell, 'Regional Policy' in Patrick Keatinge (ed.) *Membership Evaluated*, pp. 60-63.

⁵⁰ Ibid., p. 67.

⁵¹ Hillery's Memoirs on 19 July 1973, UCDA P205/69

⁵² DFA report of meeting 8 May 1973 and activity concerning ERDF in the Commission, NAI DFA 2004/7/2550. ⁵³Ibid.

practices even though Borschette was aware of these strategies.⁵⁴ It may have been an attempt to pacify FitzGerald who was already strongly objecting to the small size and distribution of the fund. At the same time, Ireland was severely disadvantaged and, this, the Commission had recognised. However, it remains striking that the Commission effectively made a notable exception to an important part of the *acquis* – competition policy – for Ireland. Comparably, the stakes in the UK's case were much higher and had more potential to create a notable advantage for British industry over its French and German equivalents.

The one region approach meant that the IDA could allocate funding flexibly and with no geographical limitations. This made sense for Ireland and was in tune with policy up to this. But ERDF had different objectives than merely lining national coffers. It attempted to genuinely redress regional imbalances in a coherent and comprehensive way. However, this emphasised the fact that while some sectors of Irish government were happy to receive contributions from the Commission, this essentially supported the policy that had pre-dated membership and essentially meant that nothing had changed.

And despite Ireland's wishes to break out of its dependence on the UK and embrace political inter-dependence within a larger community as expressed in April 1973, ⁵⁵ Ireland's economic dependence on the UK dominated its central argument to present Ireland to the Commission as one region. ⁵⁶ One could argue that Ireland's economic relationship with the UK was exceptional but due to the AIFTA and EEC accession, the Irish economy was beginning to diversify. ⁵⁷ While it may be understandable to include Anglo-Irish trade links, which had dominated Ireland's economy since independence, in the report, it should be emphasised that here Ireland's case for regional funds was built on that link.

But differences in opinion between Finance and DFA were not limited to the one region approach. There is a disjointedness concerning European affairs between departments and it appears that Ireland is interacting with the EEC on two levels. Finance prioritised securing funds while the DFA is more concerned with the wider political implications of an imprudent strategy for Ireland's position within the European Council. That dichotomy is evident by analysing Finance's draft report as well as Gallagher's note regarding an earlier Finance report on the ERDF.⁵⁸ Assistant secretary of the DFA, Eamon Gallagher, commented in a note to FitzGerald on Finance's above

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55 Minutes of Conference of Heads of Missions and Senior Officials of the Department of Foreign Affairs, pp. 16–19. April 1973, UCDA P215/750.

⁵⁴ DFA paper entitled 'Regional Aid-application of article 154 of the Treaty of Accession', NAI DFA 2005/7/2250.

⁵⁶ Gallagher warns DFA Minister on 28 August 1973 that there could be political implications if the Irish Government emphasised the link with Britain too much to the European Council. Gallagher to FitzGerald on 28 August 1973, NAI DFA 2004/7/2245.

⁵⁷ Alan Matthews 'The Economic Consequences of EEC Membership for Ireland' in David Coombes (ed.) *Ireland and the European Communities* (Gill and Macmillan, 1983), p. 118.

⁵⁸ Finance draft report entitled 'The Case of Ireland in the identification of regions for economic and social policy purposes at Community level' in May 1973, NAI DFA 2004/7/2250.

justification for the "one region" approach in August 1973. 59 While he complimented Finance on the timely manner in which it issued data, he expressed concern and advised extracting the material which can be most effectively used in justifying Ireland's need for Community regional aid. 60 Gallagher emphasised that it may not be necessary to adopt "one region economic arguments" to the Council of Ministers if the Commission, in the meantime, accepts this premise. He favoured waiting before positioning Ireland too prematurely and locking it into the 'one region' strategy. The central issues, at this point, was on what basis the entire state will qualify for aid and secondly how much it will receive. The introduction of quotas was, according to Gallagher, unavoidable and therefore Ireland should concentrate on securing additional funds in other ways such as intractable regional problems or transborder schemes. He emphasised that revealing too clearly our position as an economic region of Britain has political implications. ⁶¹ Gallagher does not specify what type of political implications but dynamics in the Council concerning ERDF were extremely complex during this period. Ireland could align itself with the "UK and Denmark, steering a middle course, between the majors". 62 However, proportionately, Ireland's needs would be closer to those of Southern Italy than other member states. ⁶³ But Gallagher may have been concerned about setting an important precedent in the Commision.

The Taoiseach considered inter-departmental discussions concerning the 'Ireland as one region' approach. It should be noted here that although ERDF was managed inter-departmentally, Finance and the DFA had the greatest input on this issue. Alternative models existed. Italy, for example, had set up a separate entity entitled "Casa del Mezzogiorno" to promote and administer the regional fund and was directed at ministerial level by Carlo Donat-Cattin. But in the Irish case, the inter-departmental model was favoured because several departments had effectively been involved in this. Initially, Finance would calculate how the most funding could be extracted, and what the national governments could afford to allocate. It would later manage the selection of projects with the IDA for nomination to Brussels. But Finance's reports are almost entirely fiscal without a fuller appreciation of larger political consequences. The DFA, on the other hand, would manage Ireland's relations with the Nine concerning ERDF. But both departments had very different priorities. It will be demonstrated later that there was political backing for the creation of a centralised system, based in Dublin, for the allocation of funds over the entire region. The DFA envisaged the implementation of the ERDF nationally as an opportunity to develop and reform local

⁵⁹ Gallagher to FitzGerald on 28 August 1973, NAI DFA 2004/7/2245.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² The DFA report is not dated but appears to be issued in order to supplement inter-departmental minutes of 7 August 1973, NAI DFA 2004/7/2245.

⁶³ Commission Report on regions in the Nine. Ireland was categorised with Southern Italy in this initial report circulated in April 1973, HEAU BAC 3/1974.

⁶⁴ Maura Adshead, *Developing European Regions*, p. 65.

government. It advocated actively involving local government in plans for regional funds while Finance would later actively discourage this as 'privateering'. Local government was disperse and sometimes not efficient. Other scholars have outlined that Local Government was not to be completely "trusted, especially at a political level, where it was seen as ineffective". 66

Furthermore, as the decade progressed, applications for assistance were mis-managed by Finance and the IDA in 1975/6.⁶⁷ Differing opinions concerning the 'Ireland as one region' approach, expressed at inter-departmental meetings, were considered by the Taoiseach's Office but by 23 August 1973, Dermot Nally (Assistant Secretary in Department of the Taoiseach) essentially reconfirmed Finance's strategy instructing the DFA to adopt the 'Ireland as one region' approach; push for the fund to be increased and reject the principal of *juste-retour* among the Nine.⁶⁸ And despite DFA protests, the Taoiseach would continue supporting Finance's administration of ERDF applications until the summer 1975.

It is unclear from primary files why the Taoiseach chose to side with Finance on this important issue. But his decision would have long-lasting repercussions. Contextualising it may help to understand Cosgrave's stance. Firstly, as outlined above, Finance had traditionally dealt with Ireland's economic and financial aspects of membership. Secondly, it had considerable expertise in analysing data and had a convincing argument for succeeding to gain more funding through the 'one region approach'. Central distribution of ERDF from Dublin would also have several advantages because the government would continue to have full control over the allocation of funds. Commmunity regional policy consisted "largely of an element of EC support for the national regional policies of the member-states". Ireland was to be treated as a single region. But this meant that "Community regional policy was part of national development policy and that, in Ireland, central government had control of the use of funds received from the ERDF so long as they were spent in line with the eligibility criteria". 69 This had a profound effect on how the fund would be managed and treated in Ireland. It was not directed to correct regional imbalances but more as a supplement for national development. Local government and non-state actors' participation in projects would be actively discouraged and applications were managed and channelled through Finance and the IDA. Considerable local expertise was therefore excluded and distanced from involvement in planning and development. The previous chapter considered increased centralisation in Ireland's administration. But in terms of regional planning in Ireland, the necessity to gather

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⁶⁵ 13th Session of the European Communities Committee on 10 September 1974, NAI DFA 2005/4/702.

⁶⁶ Mark Callanan, 'Local Government and the European Union', in Mark Callanan and Justin Keogan (eds.), *Local Government*, p. 419.

⁶⁷ Memo from a DT official to the Taoiseach concerning the mis-management of the Regional Fund on 19 August 1975, NAI DT 2005/151/328.

⁶⁸ Letter from Dermot Nally (DT) to Eammon Gallagher (DFA) concerning inter-departmental meeting on ERDF of 7 August 1973. Letter sent 23 August 1973, NAI DFA 2004/7/2245.

⁶⁹ Rory O'Donnell 'Regional Policy' in Patrick Keatinge (ed.) *Membership Evaluated*, p. 62.

ERDF applications and forward them to Brussels actually helped solidify that centralisation process. The DFA and Department of Local Government, despite trying, could not counter these arguments effectively and Finance won the upper hand.

Conclusion

This chapter provides an important example of where Ireland's management of membership had direct consequences on how policies were handled and approached within Ireland's administration. The split of negotiations between Finance and Foreign Affairs set an important precedent which continued well into membership. Both departments approached this policy area very differently. One remained focused on internal adaptation while the other was responsible for representing its case to the Commission and the Six. At times, however, Finance's strategy and specifically 'one region' approach was at odds with and sometimes actually interfered with what the DFA was hoping to achieve in the Commission and bilaterally with the other Eight member states. This dichotomy is underlined in this chapter.

But Ireland's case also provokes many important questions concerning the Commission's involvement and employment of funds. The European Commission called for a more active role in the design and implementation of structural policies in 1987. This had been rejected by the UK at the very outset of ERDF applications which called for full discretion in the allocation of projects. At the same time, however, more input by the Commission had the potential of being helpful in Ireland's case and could have provided a counter-weight to Finance's influence. The structure and application procedure for ERDF funding that evolved in Ireland placed Finance and central government at the helm. This course was preferred by government for a number of reasons; it believed that this approach would yield more funding; would allow it greater flexibilty in the management of grants and tax breaks to industry; and would allow central government to control funding. But this approach effectively displaced local government's role and involvement in planning. Ireland's membership of the EEC provided it with an opportunity for reform. This was not forthcoming in governance at central or local level. EEC membership and European plans for regional development made available important funding to countries like Ireland. However, the application procedure which emerged in Dublin for processing applications and sending them to Brussels actually copperfasted centralisation of regional planning.

At the same time, however, there have been positive signs in recent years and Mark Callanan and Justin Keogan have exposed these effectively. The impact on local government has not been restricted to actual financial transfers. For example, "EU requirements for spending structural funding have helped embed a culture of evaluation, monitoring and value for money in

the Irish Public Service, including local government". Technical requirements for EEC funding can have an important influence in separate member states. In Ireland, for incidence, drawdown of structural funding have encouraged moving to "a multi-annual programme approach in public sector management". 70 These changes have been relatively slow but consistent. And although national governance initially virtually excluded local government from the application process for regional funding, the European Commission has helped promote its involvement in the longer term particularly since 1987.⁷¹

 $^{^{70}}$ Mark Callanan, 'Local Government and the EU', in Mark Callanan and Justin Keogan (eds.), *Local Government*, p. 414. ⁷¹ Ibid., p. 414.

Chapter IV

Lobbying for ERDF and Challenging the Introduction of Juste-retour

Introduction

Having consolidated its position at a national level, the autumn of 1973 and following year are significant for the Irish government. It used its weight in Europe to protect and promote its national interests and influence change in European policy. Inter-departmental meetings and correspondence established Ireland's immediate objectives at the European Council as lobbying for the early introduction and increase of the ERDF; a separate fund for particularly under-developed regions; rejecting notions among the eight of *juste-retour*. Tactics for achieving these goals were discussed and decided upon at the European Communities Committee. But despite its co-ordinating role as gatekeeper of European Affairs, the DFA's position was not always taken fully into account and sometimes ignored in this decision-making process.

Considerble confrontation re-emerged once more between Finance and the DFA by 1976. After complaints from the Commission concerning the way in which Finance selected projects for nomination, the Taoiseach sided with Foreign Affairs. This, as well as its management of Ireland's presidency of the European Council, was important to improving the DFA's position within the Cabinet and as gatekeeper of European Affairs.

By late 1973, Ireland's administration had also decided to concentrate on securing additional funds in other ways such as intractable regional problems or transborder schemes. Previous chapters have indicated that Irish civil servants had envisaged bilateral relations with Britain as having changed and its position having strengthened after its membership of the EEC. Both were now equal members of a larger community. This chapter will demonstrate that the UK, for political reasons, did not initially share Ireland's enthusiasm. And while Ireland hoped that the playing field had leveled after membership, this was not the case for these prospective cross-border projects. Ireland needed the UK's co-operation to proceed. The latter continued to have a substantial influence over Ireland's future and had the potential of stifling and delaying progress on transborder schemes.

Lobbying for the initiation and expansion of ERDF

The DFA used its diplomats to gather information and promote its case bilaterally and with the Commission. A two way system emerged where the same officials attended meeting in Brussels as in Dublin. This intelligence was fed back into interdepartmental meetings and contextualised with

¹ Gallagher to FitzGerald on 28 August 1973, NAI DFA 2004/7/2245.

national interests and concerns. Strategies and tactics were decided upon and adopted both bilaterally and with the Commission. But decision-making was often based on collaboration and collectivity. But this, while rustling fewer feathers between department officials in Dublin, was not necessarily the best strategy to adopt collectivey in Europe. Technical detailed negotiations will be underlined below to demonstrate just that. Positioning among the Nine changed rapidly and it will be shown that Irish officials, at times, did not really keep up with the viewpoints of the Nine even though the DFA communicated effectively during the meetings of the European Communities Committee. There was another channel for decision-making. Departments, like in the establishment of the one region approach, lobbied the Taoiseach directly. Strategy evolved at times which was in direct conflict with information that the DFA had presented at inter-departmental Committee meetings. National concerns at times took precedence over wider more long-term goals within the Communities. But by 1976, DFA expertise particularly concerning technical aspects of ERDF was given greater weight by the Taoiseach. It was growing into its role as gatekeeper for EEC affairs and controlled debate concerning technical aspects of ERDF to a greater extent. This process will be analysed below.

By September 1973, Garret FitzGerald realised that Commissioner Hillery's information in August was correct and that a deal had been hatched among the other member states.² He acted immediately during discussions with Ortoli in Dublin in September 1973³ pressing for increasing the fund's size as well as rejecting the notion of *juste-retour*. FitzGerald underlined that he was "not prepared to see Ireland sold down the river and he was prepared to use his [Ireland's] veto".⁴ At the same time, Ortoli is recorded as having expressed enthusiasm for Irish officials'

l'immagination, une ouverture vers les problems et une réflection sur ce que peut faire l'Europe; et, enfin la determination, le dynamism, c'est-à-dire le souci que notre Communauté qui s'est fixé des objectifs ambitieux à l'occasion du Sommet realise effectivement ses objectifs.⁵

And while discussions were cordial, Ortoli emphasised the Commission's position at a press conference in Dublin on 7th September 1973. Regional Funds pre-dominated questions posed by Irish journalists such as Dennis Kennedy (Irish Times) Ray Smith (Irish Independant) and Dermot Mullane (RTE). They asked whether the Commission, for example, 'intended to preserve the principles on which the Regional Policy was based and discredit the redistibution of funds based on percentages?' Ortoli responded with candour that Ireland was already being treated as a special case

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² Hillery refers to French friends Deniau, Lipkowski and d'Harcourt in his memoirs on 26 July 1973. He also met with FitzGerald in August 1973, UCDA P205/69.

³ Ortoli's speech during his visit to Dublin on 7 September 1973, UCDA P215/267.

⁴ Reports concerning Ortoli's visit to Dublin in Septmeber 1973, *Irish Independent*, 8 September 1973, UCDA P215/267.

⁵ Minutes of Meeting between FitzGerald and Ortoli 7-9 September 1973, UCDA P215/267.

i.e. as one region and would receive a substantial amount of the fund which was disproportional to its size and population. He emphasised that distribution had to meet specific requirements as established by the Commission and could not be blindly allocated. Furthermore, Ortoli also admitted that he did not want to hide the fact that he was in favour of "un distribution aussi équitable que possible".⁶ In contrast to press coverage the previous day, this briefing cast doubt over any possibility of a further extension of funding for Ireland.⁷

Taking Commissioner Hillery's advice to strengthen bilateral relations with the Nine; Ireland approached Germany, the largest net contributor, and Italy for support in September 1973. The DFA also investigated Belgium's stance on ERDF. But Belgian administrators indicated that it was not in a position to comment strongly on ERDF in the EEC because it had the potential of sparking political difficulties nationally. Wallonia would potentially gain substantially from ERDF and it was likely that Flanders would claim equal treatment. Italy had distanced itself from Britain during the summer of 1973 and Gallagher had pointed out the possibility that Italy and Ireland could attempt to siphon some additional funding for its most undeveloped regions. The content of these discussions would be very different. In the first, Ireland sought an ally. In the second, it attempted to outline its case for special treatment.

Tactical discussions with Italy ensued for forming "the best approach" that Italy and Ireland could make in helping the establishment of a significant regional policy in September 1973. A number of things made this alliance possible and advantageous. Both countries shared high emigration, unemployment, and had significant land masses which would according to the Commission be classed as under-developed and were therefore due to become net benefactors of ERDF. However, as outlined above over the summer of 1973, it became more likely that the fund would be smaller than originally predicted and that there was the danger that the funds would be distributed according to what member states had contributed. The latter would interfere with objective classification and categorisation of regions for fund eligibility. In that case, Italy and Ireland would lose considerable opportunities for development. And although ERDF funding, according to this system, would distort distribution in other member states, Italy and Ireland had proportionately more to lose. While both countries shared some characteristics in relation to ERDF,

⁶ Notes on Ortoli's press conference in Dublin on 9 September 1973. François Xavier Ortoli Papers (FXO), HEAU FXO 085.02.

⁷ Irish Press, 7 September 1973, UCDA P215/267.

⁸ Report concerning a meeting with Collins (Director of Belgium's European Affairs Division in its Ministry for Foreign Affairs) on 23 October 1973, UCDA, P215/271.

⁹ The DFA report is not dated but appears to be issued in order to supplement inter-departmental minutes of 7 August 1973, NAI DFA 2004/7/2245.

¹⁰ Notes from meeting between FitzGerald and Cattin (Italian Minister for the development of the South of Italy) in September 1973, UCDA P215/267.

¹¹ "Rapport analysant les problems qui se posent dans le domaine regional a la communaute elargie" prepared by the Commission in April 1973, HEAU BAC 3 1974.

they approached its administration very differently. Ireland established an inter-departmental committee concerning the ERDF, Italy had set up a separate entity entitled "Casa del Mezzogiorno" to promote and administer the regional fund and was directed at ministerial level by Carlo Donat-Cattin. Italy had significant experience of working and manoeuvring within the Communities.

But by October 1973, mixed reports were reaching Dublin concerning Italy's influence or lack thereof within the Communities. Indeed it had reportedly alienated some member states due to its constant demands for funding. ¹² It had made several attempts to co-operate with London. But the latter, 'convinced of Rome's limited political leverage, decided to play the game alone'. ¹³ There was also a basic divergence in the Italian position which aimed at the development of rural areas and not the re-conversion of declining industrial ones. ¹⁴ Ireland had a unique advantage because, as a new member state, it enjoyed relative good will amongst the Communities. And although Italy and Ireland certainly had similar interests in establishing ERDF, it is surprising, considering the aforementioned reports, that Ireland proceeded to ally itself bilaterally with Italy which had managed to lose favour with many other member states. At the same time, however, potential allies were not in abundance. Each member state had very specific needs. Belgium had been approached to no avail. The UK had very dissimilar needs to Ireland as did France and Denmark. Italy proved for this instance to be closest to Ireland's strategic objectives and FitzGerald hoped to achieve some common positions in order to strengthen his position in the Council. That alliance did not prove successful and unraveled by November 1974.

An exchange of information, experience and ideas to attempt to formulate a joint tactical stance is evident during discussions. FitzGerald and Carlo Donat Cattin (Italian Minister for Development of the South of Italy) discussed the way in which regions would be categorised thereby calculating approximate net intakes. The level of detail is demonstrated in talks concerning the "exclusion of regions as with per capita income or GDP above a certain level". The criterion, as proposed by the Community of 90%, was claimed by the Italians to be too high and would make too many regions in other EEC members eligible such as in The Netherlands. Instead, Italy would be in favour of an 85% cap. Cattin also suggested "an aggregation of employment of a period of years (we [Ireland] suggest ten) with unemployment at the end of the period". This arrangement had the advantage of taking full account of the emigration factor which was extremely important and had been expressed by FitzGerald to the Council in May 1973. Both countries also agreed that Ireland should seek a review of the 3.9 figure with a view to raising it to 5%. Italy and Ireland

¹² Collins, Director European Co-ordination Division at Belgium's Ministry for Foreign Affairs commented on FitzGerald's speech to the Council on 15 October 1973. Report sent 23 October 1973, UCDA P215/271.

¹³ DFA Note (not dated) concerning Italy and ERDF, UCDA P215/268.

¹⁴ Antonio Varsori and Lorenzo Mechi, 'The Community's Social and Regional Policies' in in Jan van de Harst (ed.) *Beyond the Customs Union*, p. 244.

¹⁵ Notes from meeting between FitzGerald and Cattin in September 1973, UCDA P215/271.

would also jointly propose that 25% of the Fund be set aside to problems in cross-border areas such as Northern Ireland. It was acknowledged that Northern Ireland (NI) was 'well justified by the criterion of GDP per head (as well as of course on the basis of emigration/unemployment criterion) which is notably lower than that of any region of the UK and closer to the kind of GDP per capita levels prevalent in the Mezzogiorno and in Ireland'. The UK would therefore receive approximately 1.5% of the 20-25% which Ireland envisaged would ultimately be channelled through this second tier for cross-border areas. The rest of their share of the second tier, it was suggested, could be divided between Italy and Ireland in a ratio of 5 to 1 in favour of Italy. This would entail a substantial increase for both countries and would bring Ireland closer to its 5% target as outlined above. Tactics for the immediate future were also discussed and it was decided that the most immediate requirement was to get an indication from Thomson as to whether he is in fact "prepared to put in a supplementary submission which would meet the major points Italy and Ireland were making". If not, this matter should be placed on the agenda for the next meeting, or second-next meeting of the Council so that the proposal could be formally referred back to the Commission. 16

Ireland also made direct bilateral links with Germany from September 1973. FitzGerald met with Germany's Foreign Minister, Walter Scheel, and State Secretary, Hans Georg Sachs, on 14 September 1973. Tonsistent with the tactics agreed with the Italians, the Irish highlighted the ways in which the fund could be more fairly distributed by returning to Thomson's original idea of retaining 20-25% of the fund for intractable regional or cross-border problems. Ireland and Italy's quotas, it was argued, should also be raised. The Irish delegation also suggested that the 15% limit on industrial and the 30% limit on infrastructural projects should be replaced by a sliding scale of percentages in order to cater better for the more needy regions. Additionally the size of the fund would have to be increased if Ireland was to ready itself for EMU by 1980. But the German delegation, while sympathetic to the Irish case, had its own difficulties and emphasised that the CAP was already placing a tremendous strain on Germany. Concerning Franco-German relations, Scheel referred to 'psychological problems which arose due to France's position to NATO'. Although, Scheel continued, France was 'starting to approach more and more the European position.' These early contacts with Germany lay the foundation for continuous bilateral meetings over 1974.

¹⁹ Ibid.

¹⁶ Notes from meeting between FitzGerald and Cattin in September 1973, UCDA P215/271.

¹⁷ FitzGerald (Minister DFA), McCann (Secretary DFA) and McDonagh (Irish Ambassador in Bonn) met with Walter Scheel (German Foreign Minister), Hans Georg Sachs (State Secretary) Peter Hermes (Assistant Sec, Foreign Economic Policy), Vogel (Counsellor) and Hans-Gunther Sulimma (Counsellor Press section) on 14 September 1973. Report of this meeting sent by McDonagh to DFA in Dublin on 18 September 1973, NAI DFA 2005/4/730.

¹⁸ Report of FitzGerald's meeting with Scheel sent by McDonagh to DFA in Dublin on 18 September 1973, NAI DFA 2005/4/730.

It is surprising that Irish administrators did not discuss the link between peripheral regions and competition policy. This is not emphasised in the Minister's papers during the autumn 1973 increasing the size of the fund is emphasised. This is, perhaps, understandable because Ireland would be treated as one region and criteria for the categorisation of regions no longer peroccupied Irish officials. This technicality would decipher where money would be allocated and consequently how thinly it would be spread all over the EEC. And therefore, it was necessary to resolve this issue before the size of the fund could be determined. And although the previous chapter has underlined that officials were aware of this issue, it was not discussed at bilateral meetings and Irish delegates concentrated on lobbying for an increase to the size of the fund. This demonstrated a certain disconnection with the Commission as well as the positions of its fellow member-states. FitzGerald's tactics were not always appreciated by Commissioner Thomson who commented to Hillery a week later that the Irish Minister's stance and particularly his insistence on doubling the fund was not helpful.

As the autumn of 1973 progressed, hesitance to the establishment of the ERDF strengthened among some states. COREPER on 30 October 1973 reflected this mood and German and French delegates stated that it was "premature to have a detailed discussion on these problems at this stage" although preparations could be made for a full discussion.²² It is important to contextualize this with wider challenges facing the community apart from the actual size and distribution of the fund. Following war in the Middle East, Arab producers had quadrupled the price of oil in autumn 1973. Efforts to establish a joint community response through a common energy policy had failed and member states responded to recession in separate ways stalling EMU and threatening to undo existing levels of market integration.²³ Some prioritised the fight "against inflation, others tried to control unemployment, whilst the markets sought to amplify the effects of these divergences".²⁴ But hopes to unify the European capital market were also dashed as governments tended towards isolating their exchange markets and by 1974 the snake was limited in practice to a small Mark zone.

Despite these difficulties, discussions among member states and the Commission concerning ERDF continued and Ireland pressed for fund agreement and initiation. Distribution of the fund became the main stumbling block. The French proposed granting support only to 'areas already

²⁰ European Commission Audiovisual services interview with Albert Borschette, Commission for Competition, Personnel and Administration, who commented on this issue being resolved in late 1973. [10th May 2014]

chttp://ec.europa.eu/avservices/audio/audio_rarchives_en.cfm?cptt=1&ctgx=audio&pgup=Commission%20Ortoli

²¹ Hillery's note in memoirs on 19 September 1973 concerning a conversation with Thomson, UCDA P205/69.

²² Note from Eammon Gallagher (Permanent Representative) to Carty (DFA) concerning COREPER on 30 October 1973, UCDA P215/271.

²³ Desmond Dinan, *Europe Recast*, pp. 145-147.

²⁴ Eric Bussière, Michel Dumoulin, Sylain Schirmann, 'The Development of Economic Integration' in Wilfried Loth (ed.) *Experiencing Europe*, p. 61.

benefitting from national programmes independently of their per capita or other wealth indicators' while Italy and Ireland, on the other hand, underlined that resources should be concentrated towards the most underdeveloped areas.²⁵ A compromise between these positions was proposed by the Commission in autumn 1973. Having identified as eligible the regions with a per capita GDP beneath the Community average, the distribution of the fund's resources would be proportional to the population of each area. Therefore, 25% was to be assigned to Italy; 25% to the UK; 4% to Germany and 21% to France.²⁶

FitzGerald's language was strong and openly criticised Commission bureaucrats, which a week previously, had announced an amended set of these pop figures rounded off to the nearest percentage. This, FitzGerald emphasised, was very difficult to reconcile with statements by Commission spokesmen that "no quota system is envisaged". This proposal was not even accompanied by more detail as to how the regional fund would be distributed between regions with problems of varying intensity. He emphasised Ireland's special position because its whole surface area is classed as one under-developed region and it was unable, like in other member-states, to use more developed regions as a catalyst to help the poorest areas. It is not surprising that FitzGerald would defend Ireland's national interests at the Council. But, on this occasion, he went more forcibly beyond original objections to the size of ERDF. He used the EEC's political commitment to further European integration and redressing regional imbalances effectively against it. The system proposed for the provision of regional aid is one which "apportions this aid in a strict, linear relationship to the ability of each country to finance its own regional development: the more each country can afford to help itself, the more it gets from the fund. This stands regional policy on its head and makes literal nonsense of the whole concept of such a policy."²⁷ While that single-minded determination on the part of the Irish could be applauded in certain situations, it could appear blinkered and self-interested at this particular time. The Nine were going through serious economic difficulties but they were also in considerable danger of losing progress on hard-fought compromises such as the snake. These issues were discussed in relation to Ireland but not in the broader context at Committee meetings. This not only marked a certain detachment between Dublin's concerns and those of the other Eight but it also demonstrated an important lack of sensitivity toward the situation in and ambitions of the Communities.

Concerned as to any negative impact that FitzGerald's statement may have created, Irish diplomats abroad investigated reaction among the eight to FitzGerald's statement at the Council of Ministers. Diplomatic intelligence, however, did not indicate negative feeling amongst the Eight.

²⁵ Antonio Varsori and Lorenzo Mechi, 'The Community's Social and Regional Policies' in Jan van de Harst (ed.) Beyond the Customs Union, pp. 243-245.

 ²⁶ Ibid., p. 245.
 ²⁷ Statement by Garret FitzGerald (Irish Minister for Foreign Affairs) to the Council of Ministers on 15 October 1973, UCDA P215/271.

Indeed, FitzGerald's stance indicated Ireland's hard line and raised awareness concerning the direction and development of ERDF. Collins, Director European Co-ordination Division at Belgium's Ministry for Foreign Affairs, was entirely positive and justified FitzGerald's intervention adding that "strong words and emphasis on one's particular problem are at times necessary otherwise a smaller country may find its needs over-looked". Reports indicated considerable good will toward the Irish delegation. The Italians, on the other hand, according to Collins seem to have been making too many demands and were in danger of alienating other member states. ²⁸ Paris needed the presence of sterling and the lire in the community float and are prepared to insist on the return to the snake before underwriting a regional fund. Indeed a veto from Ireland of an inadequate fund, the Belgians warned, might suit French interests. ²⁹ The British were also concerned about the same eventuality and sent an official from Dublin's British Embassy to investigate the MFA's intentions.

In November 1973, Kenneth Thom (British Embassy) called to see an official at the Department of Foreign Affairs concerning ERDF. A number of important issues can be traced by examining the contents of this meeting in which the UK attempts to discourage Ireland from vetoing the Regional Fund. Firstly, EEC membership and its ability to veto on par with Britain placed Anglo-Irish relations on an equal footing. Pre-accession, Ireland had relied to a significant extent on the UK for information. But those relations were perceived as having changed after accession by the Irish side.³⁰ At the same time, however, older attitudes were difficult to alter. During the visit, the Irish official got the impression that Thom had been sent to indicate a British hard line and to discover "how hard our [Ireland's] line might be". Thom was reported to have warned that by using the veto, Ireland could be in danger of playing into the hands "of any member state which wished to reduce substantially the regional fund or even have none at all" and that if Ireland carried its "opposition to the brink [it] we would be seen in an unfavourable light in the Community as a whole". The tone of the Irish official's note is almost resentful.

Thom's advice mirrored earlier Anglo-Irish relations during the 1960s when the UK acted as an important font of information regarding the then Six for Ireland. He may have also overestimated his power to influence Irish policy making at this juncture towards the EEC. It is interesting that, at times during the 1970s, visits by British diplomats in relation to EEC affairs actually achieved the opposite effect to the one intended. This appears to have happened in this

²⁸Having gathered intelligence from sources in the other member states, the DFA prepared this report outlining progress toward a regional fund. He highlighted that inter-communal feeling was running high and it would be very difficult for the Belgian Government to give special aid to Wallonia without making some grants to Flanders even if the latter was not guaranteed from the purely economic viewpoint, UCDA P215/271.

²⁹ DFA prepared this report outlining progress toward a regional fund. Report sent 23 October 1973, UCDA P215/271. ³⁰ Diplomats discussed a new phase in Anglo-Irish relations at the Conference of Ambassadors in April 1973 which is detailed in the second chapter of this dissertation.

instance. The report indicates that firstly the Irish resented being told what to do by the British but secondly were suspicious of British motives. Irish diplomats knew from Belgium that there was the possibility that a package deal had been arranged.³¹ The British were, according to Irish reports, looking after its own national interests. But the same tone is not evident in empirical material concerning Belgian advice. Belgium's motivations may not have been without self-interest. Indeed, letting the Irish take the forefront in pushing for more extensive funds for especially disadvantaged areas was certainly in Belgium's interests. Begium, as mentioned, was curtailed in doing the same for internal political reasons.

However, the possibility of Ireland's reputation having been tainted, the report emphasised, "has not materialised and, indeed since the Minister's statement in the October Council, the European Parliament and the Economic and Social committee, both had endorsed much of the case we [Ireland] had made". A number of member states were, reportedly, persuaded of the validity of our arguments and it would be "highly unlikely that we would be forced to the brink as to do so would itself be *non-communitaire*". Irish diplomats could have benefitted, however, from consulting with its Commissioner. He wrote that FitzGerald's stance had irritated Thomson considerably and was perceived as generally unhelpful. It cannot be assumed that Hillery's private reflections would have necessarily been imparted to Iveagh House (DFA). However, that eventuality was made even less likely because communication between the two was inadequate and this Hillery mentions and complains about in his memoirs. 33

Quite apart from Irish objections, the Heads of Government failed to reach agreement on 14-15 December 1973. The main reasons for that failure, Irish officials later reported, was Germany's reluctance to be the principal donor of what it considered to be a "watering can" fund i.e it considered that the benefits were spread too widely and thinly. Furthermore, "Germany resented the contrast between its position as a donor of 58% of the net transfers of the Fund as contrasted with the position of France, a donor of 6.5% of the net transfers". The DFA concluded, therefore, that the Commission's original proposal of a fund of 2250 m.u.a³⁴ [30 May 1973] "stands no chance of being accepted because of German unwillingness to contribute to a fund of this size."³⁵

From the Irish point of view, Germany's watering can metaphor was interpreted as indicating Germany's desire to direct funding in areas of real need such as Ireland. FitzGerald immediately called to see the German Ambassador in Dublin explaining that the fund which had

³¹The DFA prepared this report outlining progress toward a regional fund. Report sent 23 October 1973, UCDA P215/271.

³²Report concerning Kenneth Thom's (British Embassy in Dublin) visit to DFA in November 1973, UCDA P215/273.

³³ Hillery recorded this in his memoirs on 30 January 1973, UCDA P205/69.

³⁴ M.U.A. is an acronym for million units of account.

³⁵ Draft memorandum for the government entitled 'Regional Policy of the European Community' prepared by DFA on 23 October 1974, NAI DFA 2005/4/733.

been proposed by the Commission was low if spread over the original area (i.e. half of the whole area of the Community). However, FitzGerald highlighted, that the same figure would be adequate if devoted exclusively to areas of real need such as parts of the UK, Italy, NI and Ireland. The German Ambassador outlined that there had been "very little progress in the general field of the institutions and no European Parliamentary control of expenditure". He concluded by saying that Germany "had given France the CAP as part of the price to enable the EEC to be established and now it wanted something in return". The issue of British re-negotiations also emerged during this conversation and FitzGerald hinted that, "if it emerged that the UK opted out of the Community, Ireland would not necessarily follow suit". Considering Ireland's history and close – if not smothering – links with the UK, this statement was significant and demonstrated Ireland's determination to guarantee a future within the EEC.

The Germans had taken a similar line in conversations between Sir Alec Douglas-Home and Apel the same day.³⁸ Irish diplomats sought information about those meetings from embassies in Bonn and London. Germany was in favour of raising the community average GNP cut off point for ERDF eligibility to 90% and of concentrating allocation on parts of the UK, Greenland, Southern Italy and Ireland. These were positive indications and helped Ireland's case for securing funds. However the French, McDonagh warned, were likely to object at the upcoming meeting because "if the statistics showed that France was much nearer than other Community members to German economic standards, the normal and logical conclusion to be drawn was that France's contribution to the Regional fund would be more than a symbolic one." McDonagh also expressed Ireland's concern regarding the fund's size and Ireland's likely ERDF share. Poensgen, Assistant Secretary in charge of EEC institutions at the Foreign Ministry, concluded by agreeing that Ireland seemed to have fared badly in the scheme but reported that Walter Scheel had accepted during an internal meeting that "something would have to be done for Ireland". ³⁹ The Irish government overestimated German generosity and perceived that it would receive special treatment in further plans. Whether these interpretations would actually materialise was another issue.

The first three months of 1974 would witness several attempts to resuscitate the ERDF. German suggestions were discussed from January and were outlined in a proposal in March 1973. But there were factors not immediately related to the ERDF which would bear considerable

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³⁶ Report of a meeting between FitzGerald and the German Ambassador to Ireland on 3 January 1974, NAI DFA 2005/19/170.

³⁷ Ibid

³⁸ Sir Douglas Home and Apel met on 4 January to discuss the ERDF. McDonagh, Ireland's ambassador to Germany, reported to Dublin on those discussions as related by Poensgen (Assistant Secretary in charge of EEC institutions at the Foreign Ministry), NAI DFA 2005/19/170.

³⁹ Sir Douglas Home and Apel met on 4 January to discuss the ERDF. McDonagh, Ireland's ambassador to Germany, reported to Dublin on those discussions as related by Poensgen (Assistant Secretary in charge of EEC institutions at the Foreign Ministry), NAI DFA 2005/19/170.

influence on Germany's proposals. Firstly and as discussed above, there was considerable political resistance in Germany – as biggest contributor to the fund – to its size. Autumn 1973 had had a considerable impact on Western Europe and Germany was struggling to get inflation and unemployment under control. Indeed, the Nine were criticised for having reacted to the oil crisis very independently. 40 Secondly, ERDF had been justified due to the future establishment of EMU. But the French, had exited the snake in January 1974 and agreement on EMU became even more distant and as a consequence ERDF less urgent. It was also in Germany's interests to delay agreement on ERDF as long as possible because extra time would give its economy an opportunity to stabilise before transferring substantial money to Brussels. Additionally, a general election in Britain returned Labour to government in February 1974 and British re-negotiations – as promised to the British public at the ballot box – were expected. If these negotiations were to occur with the UK, the promise of ERDF may have been used as an important incentive for the UK to remain in the Nine. And indeed, in November 1974, before agreement to ERDF, Germany attempted to stipulate continued adherence of the present member states to the community as a precursor to the establishment of ERDF. 41 Paradoxically, resolving ERDF terms may have helped the Conservatives fight against Labour's calls for re-negotiations of EEC membership and diplomats in Britain received embittered reports about Germany's hesitance. Fretwell, Head of internal European Integration Unit at the Foreign and Commonwealth Office (FCO), remarked to Gaynor that "British annoyance at the German failure to put forward guid pro quo is well seated". Fretwell remarked that despite the feeling of the British and the French on the energy question at Copenhagen, "the British had bitten the bullet and had expected a quo at Brussels for their quid at Copenhagen. They had in fact got nothing at Brussels." He was therefore surprised that the Germans did not get the message and come forward with some amelioration in their regional policy.⁴²

Indeed, Germany would present a considerably smaller fund (140 m.u.a.) in March 1974. The same sense of urgency on the part of the UK is also reflected in Irish diplomatic reports during this period when the UK attempted to lobby Ireland against insisting on a minimum fund of 160 m.u.a.⁴³ Dissatisfaction also resonated in France⁴⁴ and in the Benelux.⁴⁵ For France, Germany's

⁴⁰ Dinan, Desmond, *Europe* (1994), p. 89.

⁴¹ COREPER minutes 18 November 1973, NAI DFA 2005/4/733.

⁴² Sean Gaynor (Embassy or Ireland to UK) reports on a meeting with Fretwell (Head of European Integration Department (internal) at the Foreign and Commonwealth Office) concerning Douglas Homes' meeting with Apel in January 1974, NAI DFA 2005/19/170.

⁴³ Ambassador in Copenhagen to Eamon Gallagher 29 January 1974, NAI DFA 2005/4/731.

Ambassador of Ireland's Embassy to the Communities concerning ERDF on 25 January 1974, NAI DFA 2005/4/731.

45 July 2015 Ambassador of Ireland's Embassy to the Communities concerning ERDF on 25 January 1974, NAI DFA 2005/4/731.

suggestions would have reduced its share from 19% (Minister Guichard's suggestions) to 9%. ⁴⁶
Large sections of the Benelux would cease to be eligible due to new terms that would raise the GNP to 90% of the EEC average. At the same time, however, it was unlikely, according to the British, that this was Germany's final offer. ⁴⁷ The fund's size was not the only consideration although there was a significant gap of one thousand million units for France between the Commission and German proposals. ⁴⁸. The French, according to Ireland's Embassy in Paris, 'could not see how German proposals could lead to a solution'. There was "no link to EMU or of going beyond 600 million units of account as previously advised; no proposal is made after three years; it ignores the Paris Summit communiqué and omits the definition of a regional policy or even a means of coordinating national regional policies". ⁴⁹ The Danes, on the other hand, had insisted on the link between the regional fund and EMU and French withdrawal from the Community monetary discipline, it was reported to Dublin, is deeply and rather bitterly felt in Denmark and that there was a real danger of a break-down in the Community. ⁵⁰

Having received such conflicting reports, FitzGerald had a telephone conversation with Apel, Germany's Secretary of State, on 23 January 1974. ⁵¹ Only three weeks earlier, Poensgen had indicated that Ireland would be treated as a special case. ⁵² Ireland had interpreted this as an almost certainty. However, earlier optimism that Germany would give Ireland special treatment was less likely according to Apel. ⁵³ Furthermore, Apel confirmed that: Ireland, the UK, Greenland and Italy should get the same net result from the fund over 3 years; progression would be accepted but the total fund would hot exceed 1250 m.u.a. The Council of Ministers discussed these proposals on 30 January 1974. And despite disagreement, a degree of flexibility is evident in the UK's position. Alec Douglas Home, representing the UK, emphasised that by 1976 the UK would be the largest contributor in the community and was seeking a fund of an adequate size and that progress be resumed over the whole range of Community policies. The idea of linkage between policies had never been attractive to the UK and "as proof of the importance which the UK attached to getting

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⁴⁶ Minister Guichard, French Minister for Equipment, Housing and Tourism, had reportedly made these estimations. Gallagher reported this on 25 January 1974, NAI DFA 2005/4/731.

⁴⁷ Ambassador of Ireland's Embassy to the Communities wrote to Gallagher concerning ERDF on 25 January 1974, NAI DFA 2005/4/731.

⁴⁸ Note from French Embassy on 25 January 1974, NAI DFA 2005/4/731.

⁴⁹ Neligan wrote from Embassy of Ireland in Paris to Dublin on 28 January 1974, NAI DFA 2005/4/731.

⁵⁰ Ambassador in Denmark to Gallagher concerning ERDF on 25 January 1974, NAI DFA 2005/4/731

⁵¹ Sir Douglas Home and Apel met on 4 January to discuss ERDF. McDonagh, Ireland's Ambassador to Germany, reported to Dublin on those discussions as related by Poensgen (Assistant Secretary in charge of EEC institutions at the Foreign Ministry), NAI DFA 2005/19/170.

⁵² McDonagh, Ireland's Ambassador to Germany, reported to Dublin on those discussions as related by Poensgen (Assistant Secretary in charge of EEC institutions at the Foreign Ministry), NAI DFA 2005/19/170. ⁵³Ibid.

action under way, it would no longer seek to hold up decisions on energy and on economic and monetary union" and hoped that this step would make it easier for others to move also.⁵⁴

Bargaining and positioning among the Nine has been outlined above in order to emphasise how complex negotiations actually became. Even slight changes in criteria could make a significant difference to individual cases. Irish diplomats kept abreast of these changes and reported meticulously back to HQ. And while Irish politicians were well informed about technical details, they overestimated their power to influence in the Council. According to Hillery, FitzGerald "was now leaning toward the German idea of cutting down the French benefit from the regional policy" by January 1974. The Minister for Foreign Affairs emphasised at the Council meeting the possibility of finding a solution if each member state was willing to "move 10% on the last net position that they had taken up a solution would be found." He detailed for Ireland, if distribution is according to the 90% GDP or 95% GDP criterion then 92% of the fund would go to Germany, France, Italy and the UK. It was argued that Ireland had no rich areas from which to transfer resources, and that if the fund was of sufficient size a transfer of less than 10% of their shares might solve Ireland's difficulties. Irish proposals appear to have gained little attention and the idea was not pursued further.

In this difficult and testing political climate, Irish politicians continued to push for a bigger portion of the fund. This is understandable but was not realistic and was certainly not the best tactic to employ given the difficulties among Council members of even getting ERDF off the ground. It is challenging to trace how Ireland's proposals were received and Ortoli's papers during this period, for example, do not refer significantly to Ireland's case for ERDF. Hillery's papers remain the most revealing source. Brendan Dillon (Ambassador, Ireland's Permanent Representative to the Communities) had approached Hillery with the intention of arranging an appointment with the Dutch Commissioner for Agriculture, Pierre Lardinois. Another theme which preoccupied Irish officials and particularly the Irish Department of Agriculture was that FEOGA grants would not become abosorbed into ERDF and that Ireland's portion of overall funding would be reduced. The amount Ireland paid into the Communities was also mentioned. But this line of argument, Hillery reflected, was misplaced particulary at a time when the "question of British re-negotiations and the British amount of contribution [was] is also being raised". It was not the most opportune juncture to

⁵⁴ Douglas-Home ended the much criticised British link between the establishment of the European Community's regional fund and the progress towards an EEC energy policy as well as the second stage of economic and monetary union in the Council of Ministers on 30 January 1974, *The Times*, 31 January 1974, NAI DFA 2005/4/731.

⁵⁵ Hillery Memoirs January 1974. This note was not dated precisely, UCDA P205/70.

⁵⁶ European Council Minutes on 30 January 1974, NAI DFA 2005/4/731.

⁵⁷ From Gallagher (DFA) to Doyle in Taoiseach's Department on 31 January 1974, NAI DFA 2005/4/731.

⁵⁸ Ortoli's personal papers are available and were surveyed electronically [10th May 2014]

http://archives.eui.eu/en/fonds/151236?item=FXO>
59 FEOGA is an acronym for 'Fonds Européen d'Orientation et de Garantie Agriculturel'.

emphasise Ireland's position as a benefactor of EEC funding. Earlier Committee meetings had discussed the dangers for Ireland of the introduction of *juste-retour* and the importance of underemphasing and even impairing that eventuality. This, the Minister for Agriculture, did not appreciate. Irish officials were, according to Hillery, "pushing their [its] luck too far". ⁶⁰ But there doesn't appear to have been any appreciation of this on the Irish side because this line was continued over the spring of 1974.

FEOGA grants had been raised in relation to ERDF at the European Communities Committee on a number of occasions. The Taoiseach's Office as well as the Department of Agriculture underlined that FEOGA was a separate issue and that this notion was emphasised in several policy papers. At the same time, it doesn't seem to have made much sense to re-emphasise this point at Commissioner level at this juncture. ERDF had not even been established and fundamental criteria was being called into question. Furthermore, was it likely that FEOGA would be absorbed into CAP or had the Irish administration over-estimated that threat? This originated in comments made during Denmark's Presidency of the Council and was highlighted by Barry (Secretary, Department of Agriculture) on 27 November 1973 at the European Communities Committee interdepartmental meeting. The Danes had stressed that the sort of aid envisaged in the "mountain farm scheme would be funded through the ERDF and be reckoned off the regional quota". This, Barry emphasised, had become a matter of principle for the department and "they had entered reservations all along this line". 61 Indeed both the Taoiseach's Office and Agriculture had emphasised this point in correspondence to the DFA concerning the one region approach over the summer of 1973. Gallagher responded to Barry's point that 'the Danish chairperson had earlier believed in a package but in fact each sector had proceeded separately' and that it was also 'unlikely that problems with the CAP would be held over to the following spring'.⁶²

The DFA did not perceive this FEOGA issue as urgent. Finance and Agriculture did. But the DFA was at the coalface of negotiations, discussions and disagreements through its Permanent Representative in Brussels. Notwithstanding DFA advice, Dillon approached the Commission on 2 April to underline that FEOGA grants should not be considered as part of ERDF. ⁶³ This, Hillery commented, was unwise at this juncture. What should be emphasised here is that these departments were able to directly influence Ireland's dealings with the EEC and essentially sidestep the DFA. It is likely that Finance and Agriculture lobbied the Taoiseach and he directed Dillon to make representations in the Commission. This is crucial because the DFA's experience and expertise do not appear to have been taken into account.

⁶⁰ Hillery Memoirs 2 April 1974, UCDA P205/70.

⁶¹ Minutes of Interdepartmental European Communities Committee on 27 November 1973, NAI DT 2005/7/389.

⁶³ Hillery Memoirs 2 April 1974, UCDA P205/70.

It can be questioned as to whether this particular eventuality was even realistic. France's portion of ERDF would be significantly reduced in the spring of 1974. Germany had pushed heavily for a rebalancing of funds and had attempted to dramatically reduce France's portion. It was a net beneficiary of the CAP. If France's ERDF portion was reduced, it was unlikely that it would also agree to FEOGA being altered. The wisdom of Dillon's move may be therefore called into question. A paradox can be drawn with the previous chapter. Finance maintained a centralised system, under its control, for applications for ERDF funding. The same was not true of Ireland's foreign policy which, at times, appeared to be managed directly from the Taoiseach's Office and not through or in co-operation with the DFA.

There were two other dimensions to community funding which were becoming more evident in the spring of 1974. These dominated interdepartmental debate. Firstly, the possibility of Britain's exit from the Community preoccupied Ireland's administration but this will be analysed more comprehensively in a later chapter and secondly difficulties concerning the establishment of ERDF resuscitated debate concerning *juste-retour*. This had the potential of having serious consequences for Ireland's level of funding from the EEC. Officials understood and recognised that danger and worked against that eventuality. This had a significant influence on their management of ERDF. But Dublin's European Communities Committee focused its attention to a greater extent on the possibility of British negotiations and its consequences for Ireland.⁶⁵ Discussions at this level concerning ERDF were taken up in late 1974.

Although the amount of the fund had decreased significantly, the German proposal and the debate that ensued was important to Ireland because it modified the criteria by which the ERDF was calculated and criteria by which regions in Europe were categorised for selection. Calculations based on Gross Domestic Product rather than Gross National Product would place Ireland in a stronger position to receive funds. On the one hand, unlike the Commission proposal, the German one did not determine the net contributions of the various countries in relation to their regional problems. This was a significant step forward for Ireland which would be a net receiver rather than contributor. ⁶⁶

The German proposal would reduce France's share of the fund from 21%, according to the Commission's original suggestions, to 8% and place it on the same footing as the Federal Republic. This provoked France's position paper to support the original Commission's proposals, which at the time were accepted in principle by all the member States with the exception of the Federal Republic. The Commission's offer had been a fair compromise, according to the French, based on a

⁶⁴ Finance to Secretary, NAI DFA 2005/4/733.

⁶⁵ Minutes of Interdepartmental European Communities Committee March-October 1974, NAI DFA 2005/7/391.

⁶⁶ Letter from Dermot Nally (DT) to Eammon Gallagher (DFA) concerning inter-departmental meeting regarding ERDF on 7 August 1973. Letter sent 23 August 1973, NAI DFA 2004/7/2245.

"truly Community spirit and not on a politically and economically unjustifiable concept of aid to some special regions, as would be the result of taking the gross national product into consideration as the preferential criterion for determining the regions eligible for aid from the Regional Fund".⁶⁷ France could not 'accept any solution which did not provide a guarantee that the definitive system would be based on a balance similar to that of the Commission's proposals and which did not take from the outset of all regions eligible for aid a real Community regional policy.⁶⁸ The French report also inferred miscommunication between Scheel and Apel on the size of the fund. ⁶⁹ Scheel's staff had indicated that Ireland may be given additional funding while Apel's conversation with FitzGerald on 23 January had indicated that this was not likely to be the case. But despite Apel's more recent negative reaction, the Irish circulated a position paper to Ortoli and Thomson on 26 January 1974. Ti ignored some aspects of the German proposal which had been communicated to the DFA in former reports from its embassies namely: that the German proposal was due to stretch over three years; Apel had indicated that special treatment for Ireland was extremely unlikely. Ireland communicated that it had understood the ERDF terms in the following way: a fund would comprise of 1250 m.u.a.; net receipts proposed by the Commission should be maintained and a special adjustment should be made to meet the unique situation of the Irish economy; draw attention to the Irish model as circulated on 19 January by DG Regional policy and finally that Irish net receipts from the Regional Fund during the three years 1974/6 should be 160 m.u.a. Another important point that was emphasised was that Ireland considered the distribution of 150 m.u.a. from FEOGA as a separate issue.⁷¹

It is difficult to determine why the Irish government decided to circulate this document. It certainly was not without precedent. It had adopted this tactic quite regularly in the past. Finance and the Taoiseach's Office had prepared an *aide-mémoire* in July 1961 which would later seriously damage its chances of accession in 1963.⁷² On the one hand and on some occasions committing to paper was positive because it clarified its position and aspirations to the Commission from within the Community. At the same time, it had the distinct disadvantage of pinning its colours to the mast which had the potential of placing it badly in negotiations. Gallagher had advised against the wisdom of issuing such documents concerning another policy area earlier in 1973. He appreciated that the nature of decision-making within the Council was such that circumstance could change

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⁶⁷ Michel in French Embassy left a French position paper into the DFA on 28 January 1974, NAI DFA 2005/4/731.

⁶⁹ At the Council Meeting of 15 January 1974, Mr Apel referred to a fund valued at 1200 m.u.a. while Mr Scheel, at the same meeting, mentioned 1655 m.u.a Michel in French Embassy left a French positition paper into the DFA on 28 January 1974, NAI DFA 2005/4/731.

⁷⁰ HQ to Dillon in Permanent representative. HQ sent a position paper to be circulated to Ortoli and Thomson on 26 January 1974, NAI DFA 2005/4/731.

⁷¹ Ibid.

⁷² FitzGerald, From Protectionism to Liberalisation, p.157.

rapidly and deals could be chopped, changed and amended. This is curious particularly because debate concerning what form ERDF would take was at a complex stage. Irish officials were aware of this and discussed bargaining amongst the Nine at the European Communities Committee. The exact origin, the reasoning behind the impulse to send this document and actual drafting process has not been located in Foreign Affairs files. It may have been misfiled or overlooked. However, it is likely that it was discussed and prepared bilaterally between Finance and the Taoiseach's Office. The DFA was probably only involved at the closing stages in the preparation of the document. It was forwarded to Brussels through the DFA. This is an important example of where the DFA's advice did not filter into policy formulation. Its experience and expertise in negotiating with the Commission and the Eight particularly concerning FEOGA were not taken into account. This was a resource which was considerably under-utilised and could have benefitted overall strategy-making regarding ERDF.

After months of bargaining between the Nine, some agreement appeared to emerge and this was discussed at length with Irish representatives in autumn 1974. An Irish delegation met with Commission officials in October 1974 to discuss ERDF. Progress was interpreted as slow by the Irish delegation and its stance became more and more rigid leading to the French Summit in December 1974. A compromise proposal had emerged between the Commission's original plan (2250 m.u.a.s in 1973) and German suggestions (1200 m.u.a.s in March 1974). Commission delegates now informed the Irish of its progress toward reaching an agreement. Firstly, the Commission accepted the size of the fund at 1450 m.u.a.; an increased concentration in the weakest regions and a reduction in gross receipts for Italy by 22% for the UK by 27% and for Ireland by 4%. Ireland's net transfer would be safeguarded and the unique position recognised in that it had no pole of transfer i.e. as one region. France had been asked to reduce its gross receipt by 47%, Benelux and Germany by 75% and Denmark by 65%. The result would be to give 77.7% of the fund to four countries (Italy, Ireland, UK and Denmark for Greenland) and 22.3% to the rest. 73 But if one considers the difficulties all Nine had experienced including the oil crisis and the the unravelling of the snake, this offer was not bad. And although the fund itself was considerably smaller, Ireland's proportion in relation to its population was considerable. It also had the potential of growing as the Communities developed.

In response, Ireland continued to criticise the size of the fund which was already a year late in its implementation. Furthermore, with inflation at 15% the sum had already depreciated significantly in monetary terms but also as a community instrument. The Irish delegation expressed reservation about fund assistance which could not exceed 15% of the cost of industrial investment.

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⁷³ Note on meeting between the Commission (Jenkins and Ruggiero) and an Irish delegation (Gallagher, Murphy from DFA and Curran and Doyle from Finance) concerning ERDF on 16 October 1974, NAI DFA 2005/4/733.

On the other hand, the Irish delegation was very positive about the fact that ERDF could supplement up to 50% of national infrastructural projects. ⁷⁴ But concurrently with ERDF disappointments, Ireland and the Benelux also complained that member states appeared to be pushing back the timetable for direct European Parliament elections. It is important to underline here that Ireland and the Benelux took this opportunity to ally with each other and take the stance that progress on tangible policies such as the regional policy act as a condition for the summit. FitzGerald planned to use his veto on institutional reform as a bargaining chip to gain progress on ERDF. 75 The DFA outlined that the Irish government had rejected a nett figure of 80 m.u.a. spread over 3 years as grossly inadequate and indeed irrelevant to the needs of regional policy in this country. The rate of inflation had accelerated to a point where the purchasing power of the regional fund, as originally envisaged, would not in fact be secured if the figures were maintained. Finally, postponement of at least a year in the start of the fund renders the original proposal for the size of the fund as now irrelevant. ⁷⁶ Ireland had indicated, as had other member states, that its attitude to the holding of a Presidential meeting will be governed by whether it can be established by the time of the next Ministerial meeting on 11th November that there is a basis for the achievement of firm orientations at the Presidential conference on "questions de fond" including regional policy which is an "essential element of any further economic integration of the Community". 77 This marks another important departure in Ireland's interpretation of the ERDF. Rather than an instrument to facilitate EMS in the future, it had for Irish policy makers become a question de fond.

The DFA's position became increasingly radical and Gallagher outlined while attaining agreement for the implementation of ERDF was important, Ireland did not just want any fund. This note is very important and also marks an important shift in the position of Ireland in relation to the *acquis communitaire*. While initially Ireland had argued in 1973 that a small fund operated by just-retour went against the very principals underlying the EEC and against the *acquis*, that line of argument shifted in October 1974. FitzGerald's speeches had used the Nine's commitment to further integration and European monetary union as an incentive to advance the establishment of the ERDF. But by October 1974, Gallagher outlined his anxiety that "all our partners face up to all the implications of the Treaty and not substitute political cooperation for it. This made us [Irish government] anxious to see a regional fund quickly, but not any regional fund." This note emphasised the importance of concrete results and the actual establishment of the fund for the Irish government. But, it also distances ERDF from political co-operation while earlier it was

⁷⁴ That limitation had been raised from 30 to 50%.

⁷⁵ Garret FitzGerald, *Autobiography*, pp. 133-134.

⁷⁶ Position paper sent on behalf of FitzGerald to Permanent Representative in Brussels on 30 October 1974, NAI DFA 2005/4/733.

⁷⁷ Note from HQ to Eight Ambassadors and Ambassdor Dillon on 30 October 1974, NAI DFA 2005/4/733.

⁷⁸ Note on meeting between the Commission and an Irish delegation on 16 October 1974, NAI DFA 2005/4/733.

intrinsically linked to it. By autumn 1974, it appears that Ireland's attitude to the *acquis* could be flexible and possibly moulded around Ireland's immediate strategic interests as a member state. This is also evident by Ireland's willingness to push its partners as far as possible in order to gain additional funding.

It is difficult to pinpoint exactly why Ireland radicalised its position even further in December 1974. There appeared to be genuine political determination behind FitzGerald's action over the next couple of weeks. Indeed, issues which he had formerly strove to underline and emphasise such as the importance of the *acquis* as well institutional reform within the Communities were suddenly side-lined for his stance on ERDF. Ireland had had high hopes for considerable transfers through the ERDF during accession negotiations. The CAP, for instance, had brought considerable funding and expectations were high. This seemed uncharacteristic of FitzGerald and would appear much more in line with Finance's previous actions. And yet, empirical files would indicate that there was general agreement among departments at interdepartmental meeting to push as much as possible among the Communities.

FitzGerald had made considerable political statements to the national press from the beginning of discussions on ERDF in 1973. Any failure had the potential of tainting his reputation and that of the inter-party government among its electorate. However, it appears that FitzGerald was convinced of Ireland's stance as a genuine case for funding. Frustration was palpable as deals were suspected of being struck among larger member states behind closed doors. Inter-departmental discussions calculated Ireland's possibilities of gaining extra funding. While cautious, the tone of discussions are relatively optimistic even up until late October 1974.

The DFA radicalised its position leading to the Paris Summit in December 1974. But that stance was even stronger because it was due to take over the Chairmanship of the European Council in January 1975. Gallagher instructed Ireland's Ambassador to the Communities on 30 October 1974

that policy position is that we must see concrete progress in Community policies proper at a Summit. We must therefore insist firstly on isolating the regional policy from other subjects for Summit consideration such as inflation and employment. RP dealt with seriously..... at the summit and in the institutions of the Community. If this is not done, we cannot commit ourselves to a Summit.⁷⁹

It should be remarked that Ireland's stance did not go unnoticed among Community members. The Embassy of Ireland to Germany remarked on Ireland's disappointment with the fund and predicted

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⁷⁹Gallagher instructs Ireland's Permanent Representative to the European Communities on Ireland's position regarding the upcoming French Summit and ERDF on 30 October 1974, NAI DFA 2005/4/733.

its moves to prevent the Summit.⁸⁰ No research has been possible in Germany's archives but it is likely that it acted to manoeuvre against Ireland's plans and this will be discussed later.

In the meantime, the Irish and Italians emphasised their case once more at COREPER on 5 November. That meeting confirmed Italian support for the Irish stance. It was unclear however whether that would remain steadfast. Furthermore, Ireland's ally-Italy also demonstrated ill-preparedness and would defend and promote its own interests. Denis McDonald, Ireland's Ambassador to Italy, warned in a report to HQ that "while Italy's main concern is to have a regional fund, it will support request for increases in our respective quotas bringing Italy's to about 40-45% if possible". He also reported however that the Italians had not done "their homework on the arguments that could be validly proposed". 82

But as the Summit approached, there was a growing sense of anxiety amongst Irish staff and this is reflected in another policy position paper by the DFA's Assistant Secretary E. Gallagher. He is more anxious than in previous instructions to Ambassadors on 30 October. The tone of the report is more guarded. He warned that

if we dig our heels in and refuse to accept the fund as proposed, with whatever modifications we can get, the regional fund may disappear, and may not reappear for a long time to come. The Commission in trying to influence us [Ireland] to accept their proposals has suggested that if the fund as now proposed is not accepted the Commission will not make any further proposals for such a fund.⁸³

Ireland had indicated in October to the Commission that it was not prepared to accept just any fund. But the Commission, having achieved relative consensus among most of the Nine and after discussions over one year hoped to secure agreement. Gallagher reasoned that if the fund was accepted as now proposed

its value to us is clearly severely limited and we have certain leverage at present because of the French desire to hold a Summit. This leverage, however, is primarily directed against France, which is not the country that is pressing for the fund to be kept down to as low a figure as possible, but which, of course, has its own objectives to the Commission's new proposals which would reduce its share of benefits from the fund.

After intense debate, it was decided to authorise FitzGerald, in his discretion, to withhold agreement at the meeting of 11th November "if in his judgement the terms of the proposed regional policy are unsatisfactory, and if he believes by so doing it may be possible to improve these terms or to get appropriate compensation in some other areas". It would be critical to also consider the risk to the

⁸² Note from Denis McDonald, Ireland's Ambassador to Italy, to HQ on 7 November 1974, NAI DFA 2005/4/733.

⁸⁰ Note from Embassy of Ireland to Germany concerning Ireland's position on 31 October 1974, NAI DFA 2005/4/733.

⁸¹ COREPER minutes 5 November 1974, NAI DFA 2005/4/733.

⁸³ Position paper entitled 'Regional Policy and the Summit' on 8 November 1974, NAI DFA 2005/4/733.

failure of the fund as well as the repercussions for both the fund and the community itself of an Irish veto on the holding of the proposed Paris Summit.⁸⁴ There was no accord reached at this meeting.⁸⁵

A compromise proposal was proposed by Sauvagnargue on 25 November "which was somewhere between the latest unofficial Commission proposal and Chirac idea." The fund would be concentrated in the most underdeveloped areas. Italy and Ireland should not get less than the Commission proposal; something unspecified should be added for case by case treatment in other member states. This satisfied Irish policy makers and FitzGerald agreed to attend the Paris Summit in December 1974.

But Irish concern went beyond the ERDF to larger institutional development issues linked to British re-negotiations. Bilateral Anglo-Irish talks had revealed Callaghan's plans to push the concept of *juste-retour* in May 1974. However, those suggestions were re-enforced on 12 November 1974. This chapter has already outlined Ireland's rejection of *juste-retour* for both political reasons but also because Ireland was essentially a net contributor to the EEC. The Commission circulated a report on 13 November which also surveyed future developments at the Council of Ministers. The British position, as outlined above, was repeated in this report and Irish policy makers demonstrated substantial concern. But aside from strategic interests, this report also demonstrated a wider and more specialist understanding of larger institutional questions within the re-organisation of the Communities. While Irish policy makers sympathised with the UK position, a subsequent report in December 1974 highlighted that

Despite British denials, their proposed principle will introduce the principle of *juste-retour* into the Community financing. Such a principle cannot be confined to one member state. It is only too probable that, if accepted, it would mean that all member states' contributions would be calculated by reference to their share of Community GDP.

It concluded by warning that this would mark a "regression and the community would become like a free trade area" This was a significant consideration in Ireland's choice to accept the Commission's offer. Furthermore, rejecting ERDF would also have an effect on ongoing UK renegotiations and may have also highlighted the principal of *juste-retour* once more.

85 'No Accord Reached' *Il Messagero*,12 November 1974.

90 Ibid.

⁸⁴ Ibid

⁸⁶ Telex from Gallagher to Murray, Third Secretary European Community Division, on 25 November 1974, NAI DFA 2005/4/733.

⁸⁷ Irish report on discussion with the British on 15 May 1974, NAI DFA 2001/33/955.

⁸⁸ Inventory of the economic and financial situation of the Community since enlargement, and survey of future developments at Council of Ministers on 12 November 1975. Sent to DFA from Connolly in Permanent Representative on 13 November 1974, NAI DFA 2005/4/409.

⁸⁹ Report concerning British Re-negotiation in December 1974, NAI DFA 2005/4/409.

ERDF was agreed upon at the Paris Summit. Thomson's original proposal of three billion units of account. (u.a) had shrunk considerably to 2.4 billion units of account. 91 But it had been started and had the potential for development and expansion into the future.

Mis-management of applications for ERDF

Managing and nominating projects for EEC funding involved the co-ordination of several departments across a wide range of specialist areas managed by the Department of Finance. The infrastructural side was the responsibility of local government: industrial was the responsibility of Industry and Commerce, agricultural of the department of Agriculture, tourism of the Department of Transport and Power. As outlined above, the DFA had considerable input into Ireland's strategy and positioning within the Council and with the Commission particularly in the development of and amendements to ERDF. But in late 1975, Garret FitzGerald wrote to the Taoiseach with new information regarding the regional fund. Correspondence is significant because it re-iterates the findings of the previous chapter.

The DFA envisaged the potential that ERDF had but only if it was operated and managed effectively in Ireland. Essentially, "how the fund [was] is used in the 1975/6 period will to a very large extent dictate the decisions which the Council will take on its size and scope from 1978 onwards". It was of vital importance that Ireland showed that it had "used all available assistance allocated to it". This would ensure that other members could not accuse net receivers such as Ireland of not having taken full advantage of the fund. 92 FitzGerald made several suggestions which would accord with the Commission's recommendations. For example, some large scale projects should be nominated. Furthermore, Germany was keen that proper structural changes should take place in the context of the fund's operations. It was of vital importance, therefore, that project work be completed in advance of the 1977 review in order to help the argument for the extension of funds.93

These points were also emphasised by FitzGerald at the Cabinet Subcommittee concerning 1976 fund applications on 20 November 1975. But FitzGerald's letter went further and actually criticised Finance's plans for the selection of funds in a number of ways. He emphasised that it was politically important for Ireland to be in a position to demonstrate that 'it did with the funds things that it would not ordinarily be [have been] able to do'. Ireland had, according to the Minister, been unprepared for regional funding applications. These had been prepared quickly and there had been a heavy emphasis on the centralisation of funds. Shannon Free Airport for example

93 Ibid.

⁹¹ Stephen George 'Regional Policy' in Juliet Lodge (ed.) Institutions and Policies of the European Community (Francis Pinter 1983), pp. 90-91.

⁹² Letter from FitzGerald to the Taoiseach on 28 November 1975. The information came from Deputy Charlie MacDonald., UCDA P215/290.

worked effectively and he could not understand why money destined for this project was filtered through the IDA. Finance was mistaken, he continued, in not stressing the importance of including investments in infrastructure on mountain and hill-farming and farming in less favoured regions. But this exclusion was linked to earlier fears that FEOGA grants could be absorbed into ERDF. This had been dismissed by the DFA much earlier. But FitzGerald's main complaints centered around the haphazard manner in which programmes were selected and secondly the criteria used for selecting projects.⁹⁴

Disagreement over where and how to prioritise projects continued into 1976 particularly between Finance and the DFA. The two departments envisioned the ERDF in completely different ways and this is demonstrated in analysing both FitzGerald's and Ryan's correspondence. Ryan remains steadfast in a number of convictions dating from original plans in 1973: the suitabilty of the one region approach. There doesn't seem to be any advancement in earlier arguments and he becomes defensive and frustrated at times in correspondence both with FitzGerald and Commissioner Thomson. He seemed to envision the funds as a supplement to government spending rather than something that had the potential of serioulsy re-considering regional policy and thereby redressing serious imbalances among the Nine.

Thomson points out in correpondence with Ryan that the "fund's resources should enable more to be spent than Member states would have been able to make available for regional development". He also requests that the Irish government should provide specific receipts for funds used as part of Ireland's 1975 public capital programme. 95 Ryan wrote to Thomson in February 1976 and his letter adopted the same guarded tone. 96 He defended the right of each member state to evolve a presentation method appropriate to its particular circumstances. Italy for example had one authority looking after the administration of ERDF but Ireland, on the other hand, 'had four governmental departments, three industrial promotion agencies and numerous local authorities all involved in industrial and infrastructural development'.

He also shielded the 'Ireland as one region approach', arguing in the same letter that some of these regions – particularly in the western half of the country – were very thinly populated. It was a matter of most fundamental political importance that "suitable investment projects undertaken anywhere in Ireland should be eligible for fund assistance". Basing fund applications on the county unit – of which there are twenty six – in a country with a total population of 3 million people would be impractical Ryan surmised. The only alternative to grouping at county level would be grouping at a national level. ⁹⁷ But what should be emphasised is that Ryan did not envisage or even imagine

94Ibid.

⁹⁷ Ibid.

⁹⁵ Thomson to Ryan on 19 December 1975, UCDA P215/290.
96 Ryan wrote to Thompson in February 1976, UCDA P215/290.

the possibility of any other system emerging. The status quo at a national level was fixed and there was no flexibity in adapting that system in order to facilitate the selection of ERDF. Instead, those projects were nominated from central government and state-sponsored bodies thereby by-passing local government.

This effectively afforded Finance and central government considerable discretion and flexibility in the selection of projects. But Thomson pointed out that investments selected for inclusion in applications for fund assistance should make a "demonstrable contribution to solving the problems of a particular region". Ryan responded to this point writing that "the number of large projects in Ireland [was] is limited" and that "industrialisation in Ireland had taken place in a dispersed rather than a concentrated pattern thereby further restricting the scope for demonstrating a concentration of fund resources on the problems of a particular area." At the same time, however, it appears that Finance argued from a completely different standpoint. It envisioned ERDF as helping overall industrialisation and development. This reflected earlier government policy prior to EEC membership through programmes such as the Public Capital Programme. ⁹⁸ But a thorough regional policy would go deeper than financial incentives. Ideally it would study and understand difficulties in specific regions with a view to targeting finances correctly. Economists such as Rory O'Donnell have found considerable shortfalls in the eventual employment of resources.

Finally, Thomson raised the "delay in sending in a joint application from the British and Irish governments for assistance towards trans-border studies". An intial joint approach was made to the Commission on 21 Nov 1975 by the Irish and British seeking "participation of the EEC in the financing of a study of communications, including transportation in the Derry and Donegal area and a study of the fishing industry in the Irish Sea. But Thomson's last point is important because although Irish authorities were keen to get cross-border projects off the ground, there was considerable resistence in the British government. ¹⁰⁰

After Ryan's correspondence with Thomson in early 1976, the Taoiseach asked FitzGerald to have a meeting with the same Commissioner. FitzGerald made notes of this meeting which infer that he asked whether the Commission could intervene in the processing of applications. This indicates a considerable breakdown in Ireland's procedure for assessing ERDF and a rift between Finance on the one hand and the Taoiseach's Office and the DFA on the other. Thomson responds that it was the "states' responsibility for certification of direct link of infrastrutural projects with industrial development". ¹⁰¹ Indeed the Commission had referred to "negative attitudes [were] being experienced in securing our [Ireland's] aid entitlement from the Fund". These were "attributable to

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⁹⁸ Rory O'Donnell 'Regional Policy' in Keatinge (ed.), *Membership Evaluated*, p. 67.

⁹⁹ Ibid., pp. 61-75.

¹⁰⁰ Cowan to Northern Ireland Office on 23 December 1976. Public Record Office (PRO), CJ4/18883

¹⁰¹ Note in June 1976 concerning FitzGerald's meeting with Thomson, UCDA P215/290.

restrictive or negative attitudes on the part of competent community bodies to infrastructure works related to industry, especially road works; industrial projects in the textile sector; industrial housing". The projects were amended and it is not possible here to examine these changes. What should be highlighted is the following. The system for the selection of projects essentially stumbled and failed. And while initially Finance was able to co-ordinate and nominate projects, it had not really understood the Commission's objectives in founding the ERDF. Its focus was primarily on national concerns. But expertise concerning the Commission and bilateral links with the other member states was available in the DFA which had considerable experience in dealing with ERDF negotiations at that point. Finance's miscomprehension was evident not only in its correspondence with the Commission but in the strategy used to select and nominate projects for funds. But, despite FitzGerald's efforts to get his voice heard, his concerns often fell on deaf ears. Finance and the Taoiseach's Office led strategy at home and had a significant if somewhat 'misplaced influence' also on relations with the Commission.

Conclusion

This chapter builds on the previous one and demonstrates how the Irish government manoeuvred itself around complex negotiations concerning the establishment of ERDF with its EEC partners. Its power to influence was relatively weak and it was enforced to back down when concerns about the introduction of *just-retour* and the possibility of negatively impacting on British re-negotiations were realised among officials in Dublin.

But this chapter also examined how Ireland's strategy toward the Commission and other member states concerning ERDF was arrived at. Other important themes recur in this analysis. Firstly, the DFA struggled to assert itself as gatekeeper for Ireland's policy with the EEC. Secondly, opinion diverged fundamentally within Ireland's administration and in particular between Finance and the DFA concerning ERDF. This had serious implications for Ireland's applications for funding and relations with the EEC. Thirdly, the advice offered by the DFA, based on diplomatic reports and past experience, was not always taken into account in policy formulation. Detailed technical information and analysis of positioning particularly within the Council at interdepartmental meetings is often ignored and Finance and the Taoiseach led strategy. There are several examples underlined in this chapter and this situation did not help Irish negotiations with the Six. The Irish government misjudged the link between FEOGA grants and ERDF; it over-emphasised fiscal

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¹⁰² Cabinet Sub-Committee on minutes concerning the EEC Regional Development Fund (Department of Local government, Finance, Agriculture, DFA and Taoiseach present), UCDA 215/290.

advantages of membership rather than its commitment to the *acquis*; Finance broke protocol by bypassing DFA and by directly contacting Commissioner Thomson.

It should, however, be stressed that the DFA was not without fault either. Indeed, it underutilised its contacts in Hillery's Cabinet in this instance. Hillery's diaries actually blame FitzGerald for over-estimating how many funds he could push for and apparently annoyed Thomson considerably.

At the same time, however, its experience and diplomatic links had provided important information which could be utilized in negotiating ERDF. Lessons learned from the DFA's links with the Six and the institutions in the the 1960s are evident. The DFA appreciated that positioning in negotiations could alter and warned against issuing a specific report concerning ERDF. Similarly, it understood the danger of *juste-retour* which could have set an important precedent in the EEC to the disadvantage of net receiver countries such as Ireland.

Chapter V

"Is Féidir Linn" Managing Ireland's first Presidency of the European Council in 1975

Introduction

Ireland adhered to the EEC in January 1973 and was scheduled to manage its first presidency only two years later in January 1975. The six-monthly rotating presidency of the European Council and the Council of Ministers is one of the Communities' most distinctive features. The responsibilities of a presidency are numerous and include arranging and chairing meetings of the European Council (summit), preparing and chairing meetings of the Council and its sub-committees and working groups, brokering deals in the Council, launching strategic policy initiatives, coordinating members states' positions at the international level, representing the EEC internationally, acting as an EU spokesperson, leading the EU side in enlargement negotiations and chairing intergovernmental conferences on treaty reform. For Ireland, with a relatively small civil service, this task was significant and from January until June 1975 it would chair 26 sessions of the Council of Ministers, as well as two multi-national conferences. The previous chapter has emphasised the difficulties in reaching agreement on the ERDF. British re-negotiations, African Caribbean and Pacific (ACP) negotiations as well as institutional matters such as direct elections to the European Parliament and the introduction of quality majority voting (QMV) culminated in a "very heavy [agenda] and would probably be one of the heaviest in recent years."

The Council Presidency has received significant attention in recent years in the political sciences from academics like Hayes-Renshaw, Wallace as well as Metcalfe and Wurzel.³ Hayes-Renshaw outlines objective criteria for judging the successes or failures of a presidency as; "whether Council business was dealt with efficiently and impartially; whether the main objectives outlined in the Presidency programme (as presented to the European Parliament at the opening of the Presidency) were achieved; whether European Council meetings were well managed and

¹ Desmond Dinan defines the tasks of the Presidency in the following terms: arranging and chairing meetings of the European Council (summit), preparing and chairing meetings of the Council and its subcommittees and working groups, brokering deals in the Council, launching strategic policy initiatives, coordinating members states' positions at the international level, representing the EEC internationally, acting as an EU spokesperson, leading the EU side in enlargement negotiations and chairing intergovernmental conferences on treaty reform. Desmond Dinan, *Even Closer Union*, p. 228. Fiona Hayes-Renshaw also refers to the current duties of the presidency in John Peterson and Michael Shackleton (eds.), *The Institutions of the European Union* (Oxford University Press, Oxford, 2006), pp. 70.

² Telex for Barrington from MacU in Brussels. I have had difficulty identifying MacU because this is an abbreviated version of an English surname signed in Irish, NAI DFA 2005/4/394.

³ David Metcalfe 'Leadership in the European Union negotiations: the Presidency of the Council', International Negotiation 3 (3), pp. 413-34, Fiona Hayes-Renshaw and Helen Wallace, *The Council of Ministers* (Basingstoke, Macmillan, 1997), Rüdiger Wurzel, 'Flying into unexpected turbulence: the German EU Presidency in the environmental field,' *German Politics* 9 (3), pp. 23-44. Adriann Schout 'The Presidency as Juggler: managing conflicting expectations', *Eipascope* No. 2 (June, 2004), pp. 2-10.

productive and whether unpredictable events were dealt with calmly, efficiently and effectively." A significant amount of this literature however emphasises the function of the Presidency as 'responsabilité sans pouvoir'. The office does not have any formal power of initiative, it inherits an agenda from its predecessor and is constrained to act impartially. Despite this, empirical analysis of Ireland's first presidency indicates that the chair can influence the direction and progress of its term in office through more subtle channels. Each member state brings its own style of management to proceedings. Experience from its historical past has a significant bearing on how Ireland prepared for, approached and eventually managed the Chair of the European Council.

But managing the Presidency had another crucial side-effect on Ireland's administration. Communication and co-ordination with Brussels came largely through Ireland's DFA. It then managed the actual running of the Presidency through its administration. Diplomats had studied the technical aspects of the Presidency since 1973 and its staff had considerable expertise by 1975. While the interdepartmental European Communities Committee discussed Ireland's overall objectives during its chair as well as protecting its own national interests, the DFA in collaboration with the Council had final control over agenda setting and circulation of material. That intensified during the Presidency. It will be demonstrated that chairpersons were also often chosen from within its department. This had an important impact on the DFA's role and its control over European Affairs. Finance continued to hold onto its control over financial and budgetary issues but its position was weakened because Ireland's European Affairs were effectively streamlined through the DFA.

Another important aspect is highlighted in this chapter. The substantial level of socialization and transnational links during the 1960s and early 1970s between Ireland and the other eight member states illustrates a substantial level of transnational learning among Irish policy makers.

But this chapter will also trace how Ireland's aspirations for the Presidency changed as it progressed. It learned substantially not only technically but also how, where and when it could have an influence on the future of the Council. The Presidency was seen initially as almost 'a right of passage' by Irish civil servants; an opportunity to prove Ireland's ability to chair. But as its term progresses its attention becomes more focused on the aspirations of the Communities at large and essentially maintaining the *acquis communautaire*. It appreciates hard fought battles among the Nine and goes out of its way to preserve the *acquis* and build upon technical advances in the Council.

⁴ Fiona Hayes-Renshaw also refers to this in John Peterson and Michael Shackleton (eds.), *The Institutions*, p. 71.

⁵ Jean-Louis Dewost, 'La Présidence dans le cadre institutionnel des Communautes Européennes', *Revue du Marche Commun*, No. 273, (January 1984) pp. 31-4.

Transnational learning 1973-1974

In order to analyse Ireland's Presidency of the Communities it is important to examine its preparation for chairmanship from 1973. But the preparation for the Chairmanship not only reveals important aspects of Ireland's membership but also illustrates how Ireland actually learned and implemented those models and at times improved upon them.

But what is meant by transnational learning in the context of Ireland's first presidency? How can learning be interpreted and traced? More particularly, how can learning be deciphered from information transfer and can every change be considered as learning? It is therefore necessary "to narrow the definition of learning down. Learning must not be equated with achievement of specific targets but with the change of interpretative matrices held by actors". This process becomes even more difficult to decipher when considering not just an individual but indeed a group of civil servants and politicians representing Ireland during its presidency. But if individual learning takes place as a communicative process in a collective context, as will be demonstrated through empirical analysis of inter-departmental debate, it also had collective effects.

There is a wider literature available concerning learning processes in the political sciences. Jachtenfuch's work on learning processes and the green house effect in EC policy making has struck me in particular. He outlines why the traditional rational choice model stops short of fully explaining what he is interested in illustrating in this book. While rational choice theory may be appropriate to examine interests and interaction results, Jachtenfuch seeks to outline the emergence and change of problem definitions. He presents a new method rather than a theory and analyses learning in terms of two frames; interpretative and action. Learning is, therefore, examined as more than just information transfer but as a change in interpretative matrices held by actors. Although Jachtenfuch's method interests me, it will not be employed rigidly but rather used as a way to help analyse and organise the empirical findings in this chapter.

The history of Ireland's relationship with the Communities after accession cannot be inflexibly confined because it is neither consistent nor uniform. Instead it teems with countertendencies which would not fit smoothly into this model. However, Jachtenfuch's definition of simple and complex learning may be useful to help analyse and organise empirical findings. Simple learning is based on a stimulus-reponse model and is often associated with an organisation. It detects sources of error and repairs them. Complex learning, on the other hand, is more difficult to

⁷ Markus Jachtenfuchs, *International policy-making as a learning process?: the European Union and the Greenhouse Effect* (Aldershot, 1996), p. 4.

⁶ Markus Jachtenfuchs and Michael Huber 'Institutional learning in the European Community: the response to the Greenhouse Effect' in Liefferink and Lowe and Mol (eds.), *European Integration and Environomental Policy* (London Belhaven Press), pp. 36-58.

trace and is related to the belief systems of actors, their theories and goals. These terms will be used descriptively below.

Substantial socialization and transnational links during the 1960s and early 1970s between Ireland, the other four applicant states and the original Six EEC members states have already been outlined in the first chapter of this dissertation. That socialization facilitated transnational learning processes which became particularly apparent during the preparation for Ireland's first Presidency of the Communities. Because this was the first Presidency for Ireland since accession, there was no precedent for the chair's management. For the researcher, that can act as an advantage for two reasons because all organisational aspects from logistics to political strategy had to be debated and implemented from scratch. Secondly, that situation meant that the Irish civil service decided to observe and learn from the successes/failures of the presidencies of other member states. Ireland will be demonstrated to have adapted strategy to improve and innovate its management and administrative style through transnational learning processes.

However, this research has also indicated additional important issues. Having collated information on managing the Presidency, the government commissioned reports on its functioning.⁹ These were intended to be used as reference for the next chairmanship due in 1979. Those findings also indicate considerable awareness among government circles of the importance of the transfer of knowledge and institutional memory concerning EEC affairs nationally. It will be important to determine how that information was dispersed and whether suggestions were acted upon or pathdependency emerged.

A significant sense of responsibility in undertaking the management of the Presidency did not escape Irish staff and this is evident by surveying interdepartmental meetings concerning its preparation. 10 It was discussed as early as July 1973. My prior research, in the first chapter, has highlighted several characteristics of Irish policy toward the Communities from its initial request and preparation for membership. These included: a realisation of its essentially weak position in relation to the other members states particularly prior to membership; a determination to succeed and prove itself worthy of membership. After accession, a necessity to highlight its political commitment to European integration and to contribute proactively in the development and success of the communities emerged. This is particularly evident at the Conference of Ambassadors in April 1973. These traits become even more evident by examining the preparation for and management of Ireland's first Presidency of the European Council. Because combined with a sense of responsibility, there was also a notable sense of inferiority and almost anxiety in the lead-up to the

⁸ Markus Jachtensfuch, *International Policy-Making as a learning Process*, pp. 31-34.

⁹ Review of the Presidency by the IPA (Irish Public Administration), NAI DFA 2005/145/381; Review of the Presidency: Reports by Mission on individual Chairman, NAI DFA 2005/145/379; Review of Presidency: Reports by Sections (Economic Division) including staffing matters, NAI 2005/145/380.

Minutes of inter-departmental committee meeting, 19 July 1973, NAI DFA 2005/145/385.

Presidency to prove itself capable of EEC membership and chairmanship. This is noticeable in the language used at inter-departmental meetings and in government correspondence. Nally, for example, warned that "it was better to play down the meetings beforehand: then the results could speak for themselves and the image of the meetings could well be improved upon Copenhagen. If the meeting in Dublin were to cover British renegotiations, the CAP review and the world economic situation it was going to be an extremely important one, but we [Irish administration] should not destroy it by building it up, publicly, too much beforehand." Another example may be cited concerning the Presidency's work programme which would have to be issued in July 1974 and would have to be re-drafted and finalised in light of the French Summit very quickly. Mr Gallagher emphasised that he was anxious to get the new programme out early to show that 'we [Irish administration] were capable of doing it.' That sense of inferiority, the urgency to get the Chairmanship right and the necessity to prove to its colleagues its capability as a member-state is evident in inter-departmental debate.

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There were a couple of main themes which preoccupied that committee in particular. Internally, Ireland's principal cause for concern was its small size and how its government and civil service would cope with managing the substantial work of the Presidency. Its civil service was considerably smaller than other member states but the amount of preparatory logistical as well as policy-orientated work expected of it was the same. Indeed, Ireland would chair 26 sessions of the Council of Ministers, as well as two multi-national conferences. The EEC was also at a particularly sensitive juncture and the second chapter has demonstrated how disharmony, bargaining and bickering marked 1974. Ireland would have the task of navigating these waters and, while as a new member state it had begun to familiarise itself with the internal workings of the institutions, it lacked experience in chairmanship. Furthermore, the Presidency agenda would not be fixed until relatively late, that is, after the Paris Summit in December 1974 and could be open to alteration. Readying Ireland for chairmanship was made even more pressing with the onset of Denmark's presidency in July 1973. Indeed, that chairmanship was criticised widely in the European Press and in Brussels. ¹⁴ A badly managed term could affect Ireland's profile among its colleagues – this at a time when it endeavoured to demonstrate its *Europeaness*; enthusiasm and commitment to contribute to the EEC's political ideals.¹⁵

criticised by Dr Henig in a speech given to civil servants in Dublin entitled 'Decision Making, negotiation and Presidency of the EEC', NAI DT 2005/7/392.

¹¹ Nally (Assistant Secretary in DT) spoke during Interdepartmental Meeting, December 1974, NAI DT 2005/151/338.

¹² 'Indicative list of Principal Questions which may be before the Council in the first half of 1975' European Council Files (CM), CM 2 1974 107/109

¹³ The title of this Chapter refers to this attitude. *Is féidir linn* is translated from the Irish language as "we can do it".

¹⁴ Clara Meyers reporting in the *Irish Times*, 1 July 1975, NAI DT 2007/111/882. The first Danish Presidency was also principled by Dr. Haris in a great language as "we can do it".

¹⁵ These aspirations were outlined at Ireland's Conference of Ambassadors in April 1973 and are outlined in Chapter 2 of this dissertation.

Expectations for a successful Irish chairmanship appear to have been low and the British later reported that before the beginning of Ireland's term "improvisation was expected to be the characteristic of the Irish Presidency". Furthermore, the same source outlined that "united voices murmured in advance that the word "chance" would acquire a new meaning in Dublin between January and June 1975". American diplomats reported to the State Department that the Irish had "done much better than might have been expected, considering their meagre resources. Energetic foreign Minister and a few senior staff members get the credit." Evidence that these murmurings were also noticed in Dublin has not been located but urgency and high-priority afforded to the Presidency's preparation is perceptible in the tone and language of inter-departmental meetings concerning the upcoming Irish Presidency. The Danish example which was widely reported in the European press may have also concentrated the minds of government officials because, over the next two years, planning and realising a successful presidency became a DFA priority. That single-minded determination is evident in government files that have been analysed.

The DFA took a very practical approach by organising fact-finding missions to member states that had hosted the presidency previously. Indeed, it prepared a "synthesis of the views of the Permanent Representative regarding the Presidency of the Six". Detailed reports on specific presidencies were prepared. Belgium and The Netherlands served as relatively small member states facing the same logistical difficulties as Ireland while Denmark, like Ireland, was a new member state. The DFA arranged two specific fact-finding missions in April to Brussels¹⁸ and Copenhagen in November 1973. These reports are significant because they reveal the varying administrative arrangements in each of those countries. The detail of the information gathered is striking.

Belgium and The Netherlands gave responsibility for chairing COREPER meetings to its permanent representative staff.¹⁹ In the Belgian case, the Permanent representative chaired COREPER II while the deputy permanent representative took the Belgian seat. The latter also chaired COREPER I while his deputy took the Belgian seat.²⁰ The Deputy to the Deputy Permanent Representative was used as a spare man who can help out at other Committees as required. Belgian staff also advised that the Chairmen of committees other than COREPER do not need deputies to sit

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¹⁶ British Ambassador in Dublin's report on the close of the Irish Presidency 24 January 1975. Foreign and Commonwealth Office (FCO) Public Records Office (PRO), PRO FCO 87/418.

¹⁷ Embassy in Dublin sends a report to Washington State Department and copies most other embassies regarding 'The Irish EC Presidency-A Balance Sheet' in July 1975. [21 April 2010] http://aad.archives.gov/aad/createpdf?rid=126485&dt=1822&dl=823>

¹⁸ Seamus O'Ciardhubháin travelled to Brussels to speak with Permanent Representatives from Brussels, The Hague and Copenhagen. He forwarded a report regarding the meetings to Gallagher in DFA on 21 May 1973, NAI DFA 2005/145/385.

¹⁹ Ibid.

²⁰ COREPER I, consisting of the deputy permanent representatives, deals with technical matters; COREPER II, consisting of the ambassadors, deals with political, commercial, economic or institutional matters.

in the Belgian seat except where matters of importance to Belgium are up for discussion. Finally, the Belgians emphasised that Chairmen from outside the permanent representative should be thoroughly prepared for meetings, keep in close touch with the Secretariat and keep his Permanent Representative and Deputy Permanent Representative involved.²¹ Keeping the permanent representative staff fully involved as chairmen during the Belgian Presidency was important because they were already very familiar with the technical workings, administration and history of COREPER.

Conversely, the Danish administrative set up created difficulties in real terms. Denmark had a national representative as well as a chairman at meetings which had the advantage of keeping national and chairmanship issues distinct. The Permanent Representative continued to deal with national issues while senior officials were imported from Copenhagen to chair EEC meetings. It was envisaged that experts from Copenhagen will already, from their day-to-day work, "be fully familiar with issues and that the assumptions of chairmanship should not therefore prove to [have been] be difficult." However, the latter did not have the necessary technical background knowledge to manage those meetings successfully. An additional fact-finding mission to Copenhagen, concerning the Danish Presidency, followed in November 1973. It related that the Danes estimated a 20% increase in staff to meet work demands. Sixty chairmen were required of which Denmark had used seven members of its foreign ministry, two national experts and the rest from its public service. The Danish Ministry for Foreign Affairs was already considerably larger than Ireland's. 24

As has been highlighted in the second chapter of this dissertation, the Danish system contrasts strongly and evolved differently to the Irish system. Denmark's relations with the EEC were split into foreign affairs and foreign finance policy and therefore responsibility for the Danish Presidency in 1973 was split accordingly.²⁵ Its national administration was to remain key to the Presidency's overall management. But that dispersal of chairpersons and responsibility slowed communication between Denmark and the European Council. National Danish administrators, specialists in their field but who had had little communication with the European Communities to date, were thrust into chairing COREPER meetings. Dublin had a model of 'what not to do'!

The Belgian rather than Danish model was prefered following these investigations. Ireland's Department of Finance would be heavily involved in economic questions such as energy; inflation and the ERDF, but frontline responsibility for the management and co-ordination of the Presidency

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²¹ Seamus O'Ciardhubháin to Gallagher in DFA on 21 May 1973, NAI DFA 2005/145/385.

²²Minutes of inter-departmental meeting committee 19 July 1973 and inter-departmental circular of May 1973, NAI DFA 2005/145/385.

Speech given by Dr Henig entitled 'Decision Making, negotiation and Presidency of the EEC', NAI DT 2005/7/392.
 Denmark's Ministry for Foreign Affairs: The total number of personnel amounts to 1,426 (including 75 extra of EEC) of which 770 are stationed at home and 656 are stationed abroad. Of these 347 are of diplomatic rank, 202 being stationed at home and the 145. Zara Steiner (ed.) *The Times survey of Foreign Ministries of the World*, p. 176.
 Ben Tonra, *The Europeanisation of National Foreign Policy* (Aldershot, 2001), p. 117.

remained fully with the DFA. Chairpersons were mainly recruited from the Permanent Representive except where issues of particular national interests were discussed. In that case an extra specialist from Dublin also attended. This structure would have consequences for the Minister for Foreign Affairs and would "interfere seriously with his parliamentary and cabinet duties and make it virtually impossible for him to undertake any other functions in the first half of 1975."²⁶ It was impossible to know exactly what FitzGerald's final agenda would involve until after the Paris Summit in December 1974. Its agenda was constantly changing and evolving in line with on-going progress or stagnation in the Council.²⁷

Studying and considering Danish, Belgian and Dutch terms in November 1973 gave the Irish government and civil service an opportunity to consider and implement an alternative model for its Presidency by January 1975. Recommendations were issued early enough to allow officials understand where deficiencies lay and organize training courses for amelioration on time. This coincided with significant recruitment to the DFA which had taken place in 1972/3. This new staff would require significant training to meet Presidency needs. ²⁸ Amongst advice offered by Danish staff. speed of communication and knowledge of French were deemed important to a successful presidency.²⁹ DFA staff would also participate in training and language programmes over the next two years. But it also went a step further by arranging for an expert of EEC affairs to address senior officials entitled "Decision Making, negotiation and Presidency of the EEC" In this speech, Dr Henig emphasised that the presidency should act as "impartial", relying on information supplied by the Commission and the Secretariat and understanding and knowing the position of national delegations during discussions on specific issues. The Institute of Public Administration also arranged courses in 'Functions and Skills of Chairmen' from 4-7 November 1974.³¹ Later however. it was commented that Dr Henig's conference had been too academic and more details on the practical and logistical implications of Chairmanship would have been useful. 32

Proficiency in French had been highlighted to the inter-departmental group and several language courses in French were financed by the training section of the Department of Finance beginning in 1972.³³ "Questions arising under political cooperation would impose a considerable

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²⁶ Paula Slattery from Ireland's permanent representative wrote to DFA regarding Danish Minister's agenda during the Presidency in October 1974, NAI DFA 2005/4/394.

²⁸ The second chapter of this dissertation considers this recruitment in 1972/3.

²⁹ Logistical details also included the cost of hospitality during which amounted to £15,000. While a rank xerox machine had made approximately 135,000 copies during the Danish Presidency. Additional telex readers and officers able to draft in French were also needed. Refer to minutes of inter-departmental meeting committee 19 July 1973 and inter-departmental circular of May 1973, NAI DFA 2005/145/385.

³⁰Speech given by Dr Henig regarding 'Decision Making, negotiation and Presidency of the EEC', NAI DT 2005/7/392. ³¹ File concerning training for staff between 1972 and 1975, NAI DT 2005/151/208.

³² 'Review of Presidency: Reports by mission on individual chairmen,' NAI DFA 2005/145/379.

³³ Managed by Department of Public Service which was created in 1973. Information regarding the training of civil servants immediately after adhesion to the EEC are detailed, NAI DT 2005/151/208.

burden on our small diplomatic staff because the replies would have to be drafted in Dublin in French and then cleared with the other eight capitals."³⁴ Professional translators were also employed for this task.³⁵ However, in later reports it was noted that, at times, there was some confusion among translators and interpreters translating technical terms into French during the chairmanship.³⁶ The knowledge of French was also re-emphasised after the Presidency's conclusion in September 1975.³⁷ Staff should at least "read and understand the language and many chairmen felt that a spoken knowledge would have been useful for informal contacts and corridor discussions".³⁸ The number of language courses, including weekend residential courses increased intensively as the Presidency approached.³⁹

Detailed logistical reports were produced on adequate locations for the meetings of the European Council, Council of Ministers and various associated working groups. ⁴⁰ An air taxi was also arranged for direct flights from Brussels to Dublin for the duration of the Presidency. ⁴¹ Detailed logistical reports were produced on adequate locations for the meetings of the European Council, Council of Ministers and various associated working groups. ⁴² Dublin Castle was chosen in preference to the large conference centre in the suburbs of Dublin (The RDS). Dublin Castle was an important *lieux de memoire* for Irish nationalism as the location where the British had officially handed back power to what became the Irish Free State after the War of Independence in 1922. ⁴³ Indeed, the London Times reported that "Some Irish see a nice irony in the fact that next month's summit, which should be the decisive stage in Britain's renegotiation with the Community, should take place at the Castle, once the seat of British colonial rule in Ireland."

It is difficult to know whether there were political motivations for the choice of Dublin Castle with its historical significances as a venue for the presidency. However, it is clear that the choice of Dublin Castle was certainly more costly, required greater renovation and adaptation. A

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³⁴ Telex for Barrington, NAI DFA 2005/4/394.

³⁵ James Kirwan (DFA) requested this information in September 1975, NAI DFA 2005/145/381.

³⁶ 'Review of Presidency: Reports by mission on individual chairmen', NAI DFA 2005/145/379.

³⁷ Information and opinion were sought by the DFA from staff in all departments concerning training before the Presidency and how it could be improved upon. James Kirwan (DFA) requested this information in September 1975, NAI DFA 2005/145/381.

³⁸ Review of Presidency: Reports by mission on individual chairmen, NAI DFA 2005/145/379.

³⁹ There is a considerable amount of correspondence from Finance to the DFA concerning officers not attending language courses. McHale's letter to Richard Strokes on 14 February 1973, NAI DT 2005/151/208.

⁴⁰ Garret FitzGerald, *All in a Life* (Macmillan, London 1991), p. 146

⁴¹ James Kirwan (DFA) requested this information in September 1975, NAI DFA 2005/145/381.

⁴² The Danish meetings had been held in a venue similar to the modern, fully equipped but modern RDS conference centre and exhibition hall. It was on the outskirts of Dublin city but virtually no renovation work would have been necessary to adapt it for the purposes of the Irish presidency. The Castle was a more beautiful historic building, located in the oldest part of Dublin city centre. However, the Castle location would require major renovation work including extending the kitchens, adding translation facilities, and providing ample room and telecommunication equipment for the international press. File entitled: 'The Irish Presidency of the EEC', NAI DT 2005/151/364-19135.

⁴³ This association is discussed in Geoffrey Cubitt, *History and Memory* (Manchester University Press, Manchester), p. 140.

⁴⁴ Note on the media coverage of preparation for the Presidency, NAI DT 2005/151/364-19135.

new section for the press, catering facilities and interpreter booths were installed. The Office of Public Works (OPW), Department of the Taoiseach and Department of Foreign Affairs coordinated efforts in that respect. But it has the advantage of lying in the heart of Dublin city and was close to most government departments. The building itself, constructed in 1728 was architecturally more elegant than the modern RDS conference hall. Its suitability was acknowledged by some member states ⁴⁵ and Benjamino Olivi, official spokesman of the Commission, later commented that "with the limited means available, it had been an extraordinary performance". ⁴⁶

But, the choice of Dublin Castle, as a venue, had a larger significance. It linked nationalist sentiment with EEC membership. This aspect is not discussed at inter-departmental level but this place was charged with nationalist significance and it is difficult to imagine that these politicans and officials, some of whose fathers were directly involved in the War of Independence in 1922, overlooked its historical significance.⁴⁷ Ireland's position of influence – as chairman – reaffirmed the potential and opportunities that membership afforded small member states such as Ireland. It also re-enforced the compatibility between nationalism and membership of the European Communities as well as the view that inter-dependence, through EEC membership, afforded Ireland for achieving effective independence.⁴⁸

While FitzGerald's team of civil servants implemented the above logistical infrastructure another section of the department continued to work on policy formulation during the French presidency. A smooth handover was crucial to the success of Ireland's term and the ongoing work of the Council. There were a number of successes and initiatives during the French presidency in the autumn of 1974 that the Irish Presidency would build upon. The Commission had negotiated the Lomé Convention during 1973 and 1974. Ireland gained positive press, as presidency, for sealing that Convention; finalising ERDF and the British Correcting Mechanisms. Ireland could build on these successes and its timing was therefore fortunate. At the same time, there was a substantial amount of responsibility in managing and finalising these important steps in the Communities. The ERDF, as has been demonstrated in the third and fourth chapter of this dissertation, had led to lengthy and, at times, bitter debate among member states since 1973 and securing its implementation as quickly as possible was very much in Irish strategic interests. Similarly, continued British membership of the Communities will be demonstrated to have been very much in

⁴⁵ Internal letter regarding location of upcoming British Presidency in 1977. European delegation official comments ironically on Sinclair's earlier report regarding Ireland's preparation and facilities for its Presidency. Letter dated 28 February 1975, PRO FCO 87/418.

 ^{46 &#}x27;Soft as Tweed, tough as whisky', *The Times*, 1 July 1975, DT 2007/111/882. Ortoli was invited to visit Dublin to examine the facilities for the Presidency in autumn 1974. Presidency of the EEC 1975, NAI DT 2005/151/364-19135.
 47 Garret FitzGerald's father for example, Desmond FitzGerald, played a prominent role in the War of Independence and became Ireland's first Minister for External Affairs in 1922.

⁴⁸ The pursuit of greater economic independence through inter-dependence i.e. members of the Communities was discussed in detail at the Conference of Ambassadors in April 1973. This is outlined in the second chapter of this dissertation.

Ireland's economic interests. Irish officials would have had to act impartially as Henig had instructed. The Irish Presidency would carry on the Communities' wider integration objectives such as discussions concerning direct elections to the EP; facilitate the first Council session; implement increased communication with the institutions and the Press as well as finalise the British renegotiations, the regional policy and Lomé Convention.

But before the actual functioning of the Presidency is considered, it will be important to also consider another aspect of Ireland's Presidency. While a sense of inferiority and willingness to prove itself capable of EEC membership was evident, the Presidency also presented an important opportunity for Ireland as a new member state. This was a unique occasion for Ireland to showcase, as outlined at the Conference of Ambassadors in April 1973, its commitment to European integration and its ability to play an effective and professional role as a full member state. During the summer of 1974, Garret Fitzgerald, Denis Corboy and Senator Mary Robinson⁴⁹ met to discuss Ireland's first Presidency of the European Council. On that occasion, they concluded "Any proposals we might put forward would have most impact if visibly accompanied by changes in the style of Presidency." A number of innovations in both style and functioning were implemented.

Indeed, a determination among Irish civil servants emerged in the autumn of 1974 to not only manage the Presidency but to make it stand out and rival other presidencies. That sense of inferiority mixed with a growing determination to make the Presidency a success motivated Ireland's moves to analyse in great detail other presidencies. It is unclear whether Danish and British diplomats also investigated the running of the Presidency prior to their initiation in 1973 and 1975. Irish officials dedicated considerable inter-departmental debate and resources to it from as early as 1973. This action indicates that the Presidency was perceived with great prestige and importance. But it also illustrates that the Irish Administration: afforded a great deal of importance to institutional memory and therefore sought advice from colleagues; and was optimistic about learning from and improving on those experiences.

The French 'had not been very good with press and communications, we [the Irish government] had hoped to do better from this point of view.' ⁵¹ For example, press facilities were made available in Dublin Castle. This marked a change from the French Presidency which had housed the press far from meetings. The Irish government also consulted and corresponded with Reuters, the Organisation of European Journalists and the Belgian Press Council regarding press facilities at Dublin Castle. Irish policy makers had emphasised the importance of this aspect. As well as more open communication with the press, the Irish Presidency had more frequent and

⁴⁹ Denis Corboy was head of EEC representation in Dublin while Mary Robinson met in August 1974 to discuss the Presidency.

⁵⁰ Garret Fitzgerald *Autobiogrphy*, p. 146.

⁵¹ 'Presidency of the EEC 1975', NAI DT 2005/151/364-19135.

regular attendance at the European Parliament; more direct contact with the Economic and Social Committee; and the imposition of quality majority voting. These innovations had their foundation in ideals for Ireland's future within the EEC as expressed by DFA staff at the Conference of Ambassadors in 1973. The benefits of inter-dependence and further integration such as direct EP elections particularly for small states had been emphasised there.

All roads led back to Finance

The last chapter emphasised the unevenness of attitudes among government staff and in particular between the Department of Foreign Affairs and the Department of Finance. And while the DFA acted as gatekeeper for European Affairs, it required the co-operation of other sections of government administration to organise a successful presidency. But while Foreign Affairs could understand the importance of this first chairmanship to enhance its status within Europe, that enthusiasm was not shared smoothly across departments and some reacted rather lukewarmly to its imminence. As outlined above, it was demonstrated that adaptation and training was necessary to ready Ireland for chairmanship but additional expense would also be incurred. Although, there was a realization in government circles that Irish officials had to attend meetings in Brussels and have the ability to converse competently in other languages there was, at times, internal tensions as to whose balance sheet those expenses would appear on. Indeed, language course attendance by DFA staff was monitored almost fanatically by Finance officials.⁵² This was particularly the case when Ireland was economically weak, as I have outlined in the first two chapters, and there was strong pressure on all departments to cut expenses.

Processing travel expense receipts would appear to be a standard and a straightforward part of government. Yet it caused considerable difficulties and occupied a significant portion of government correspondence between the Department of Public Service and DFA in autumn 1974. Established in 1973 as a branch of Finance, the Department of Public Service under-estimated officials' travel expenses in its budget.⁵³ Admittedly, DFA staff travel increased substantially in the same period in order to ensure a smooth and successful takeover from the French Presidency. But the latter department not only refused to compensate civil servants' travel expenses and demanded

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⁵² There is a considerable amount of correspondence from Finance concerning officers not attending language courses. Staff was under great pressure as chairmanship approached. An example of this correspondence is J. McHale's letter to Richard Strokes on 14 February 1973. Strokes responded that the "pressure of work has prevented the attendance of officers of this department at French classes and the position is unlikely to change", NAI DT 2005/151/208.

⁵³ The Department of Public Service was established in November 1973 following the passing of the Ministers and Secretaries (Amendment) Act 1973. After this date, most of the powers relating to public servants, which had been exercised by the Minister for Finance, were transferred to the Minister for Public Service (Transfer of Departmental Administration and Ministerial Functions Order 1973). Dooney, Sean *The Irish Civil Service* (Institute of Public Administration, Dublin 1976), pp. 114-132.

more stringent etiquette regarding "what constituted a necessary EEC meeting". By October 1974, that matter was urgent and prompted the DFA to write

The European Communities Committee are very concerned that these negotiations have dragged on so long and they urge action to bring them to a speedy and equitable conclusion. Particularly in light of Ireland taking up the Presidency in January 1975. The European Communities are disturbed at your proposal to limit travel to EEC meetings. Apart from the difficulty of defining what is and what is not an EEC meeting the Committee considers that there is no justification for such discrimination. They are also disturbed at the proposals to discriminate against the DFA whose diplomatic officers cannot be considered in any different light from other Civil Servants in this matter.⁵⁴

The matter was also raised at an inter-departmental meeting where it was pointed out that people in some departments were waiting for a decision before they settled down to the task of Chairmanship. Some civil servants were even threatening not to travel to chair sessions in Brussels unless a reimbursement for expenses incurred was guaranteed. Discussions also spread to staff associations.⁵⁵

This debacle was resolved and settled in the late autumn of 1974 but it serves as an example of considerable friction between departments. All roads led back to Finance and the latter could make things very uncomfortable if it so wished for officials and could dissuade travel in the DFA. But what should be emphasised is that both departments had very dissimilar priorities. While one dedicated considerable man power and resources to a successful Presidency, the other questioned its expense and did not give the same importance to meetings in Brussels. Fundamental differences between the two had the potential to negatively affect and influence Ireland's handling of the Chairmanship. Inter-departmental difficulties, as highlighted in former chapters, re-emerge here.

Was Ireland's Chairmanship 'sans pouvoir'?

Political scientists have remarked that smaller countries often have more successful presidencies. It has been demonstrated that smaller administrative structures are often easier to co-ordinate with the Council Secretariat and everyday logistical management of the chairmanship is generally more cohesive and successful. This fluid communication is evident in correspondence between the Community institutions and Ireland during this period and in particular regarding British renegotiations. The Commission's report, which was not issued until autumn 1974, delayed the finalisation of British re-negotiations until Ireland's term in January 1975. In light of this, bilateral meetings were arranged from summer 1974 to discuss the terms of Britain's correcting

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⁵⁴ Letter from the DFA to Seamus O'Conaill (Secretary in the Department of Public Services) on 30 October 1974, NALDT 2005/7/392

⁵⁵ Minutes of inter-departmental committee meeting in October 1974, NAI DT 2005/7/392.

mechanisms. Sean Gaynor also reported that those negotiations were likely to be long and centre on budget financing. ⁵⁶ In any event, the British correcting mechanisms were near completion when Ireland undertook chairmanship in January 1975. The budgetary corrective mechanism and New Zealand were also outstanding issues and these were resolved during the Dublin Summit in March 1975. ⁵⁷ However, these negotiations re-emphasised a new phase in Anglo-Irish relations. The first chapter of this dissertation highlighted the 'part strait jacket, part life-jacket' nature of these relations particularly from 1961 until 1965. ⁵⁸ And although Ireland became increasingly less dependent on the UK it remained its biggest agricultural export market. And therefore, if renegotiations failed, Ireland would be significantly affected economically.

These concerns prompted the inter-departmental group on EEC Affairs to prepare a detailed report on the effects that Britain opting out of the Communities would have on the Irish state. "Reversion to third country status for the UK would be likely to involve considerable disruption in trade between Ireland and the UK and would constitute a more adverse situation than any of the others likely to result."59 But losses to the Irish economy if the UK withdrew were estimated to amount to 80 million per year. 60 The group concluded however that, despite these economic difficulties and re-adjustments, Ireland should remain in the Communities because opting out would "reverse a highly progressive position." It was hoped however that this contingency would not arise. Indeed, it was in Ireland's direct interests to manage and negotiate the 'correcting mechanisms' as professionally and successfully as possible. However, there were some aspects of the UK's requests, regarding cattle and beef prices exports, that went against Ireland's strategic economic interests. Similarly, UK requests for the imposition of new and less disadvantageous tariffs on New Zealand butter and Canadian cheese would effectively result in further competition for Ireland's agricultural goods. Although Ireland did not wish to see the UK leaving the EEC, it was closer in effect to its other EEC colleagues on a number of issues. Its aspirations, as outlined at the Conference of Ambassadors in April 1973, for achieving quality majority voting (QMV) in the Council as well as direct elections to the European Parliament were closer to desires of the smaller Benelux countries. While as a largely agricultural economy, Ireland's ambitions for CAP reform were closer to [those of] France'. On the other hand, the UK would tussle for, as will be explained

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⁵⁶ Letter from Sean Gaynor (Minister Plenipotentiary) to HQ on 19 June 1974, NAI DFA 2001/33/955.

⁵⁷ Fitzgerald *Autobiography*, p. 154.

⁵⁸ See detailed empirical research regarding Britain and Ireland from the mid 1950s until 1966 in Maurice FitzGerald, *From Protectionism to Liberalisation*, pp. 291-237. These themes are also referred to in the first chapter of this dissertation

⁵⁹ Irish inter-departmental report on contingency if Britain were to opt out of the Communities after its referendum in June 1975, NAI DT 2005/151/530.

⁶⁰ Report on British re-negotiations 2 and 3 December 1974, NAI DFA 2005/4/409.

⁶¹ Report dated 18 April 1975, NAI DT 2005/151/338.

in the section below, *just-retour* and price adjustments which went effectively against what the Irish government had spoken out against since membership in 1973.

As Chair it would be obliged to act impartially and defend the Community's interest. That is why this aspect of the Presidency is so important to the overall theme of this dissertation. Firstly, it tested Ireland's ability to act as an effective chair; secondly as an impartial arbitrator. The latter is particularly significant and it will be important to decipher whether it silenced or amplified its economic strategic interests as Chairman. It will also be important to trace whether chairmanship had an effect on its interpretation of the acquis communitaire.

British staff was convinced that the ERDF was essentially the re-distribution of its contribution to the Commission. In that case, therefore, the UK should have full control of its distribution. This conviction is also present in internal Whitehall notes concerning British renegotiations. Foster in the Embassy of Ireland to London summarised British demands as early as May 1974. The main problem was Britain's budget contribution. The UK's net contribution amounted to £74 million. The Labour government was particularly concerned about the position of cattle and beef in the EEC. They took the view that if "present pricing EEC trends continue, beef will become a luxury item." The National Farmers' Union were pressing for the "reintroduction of a deficiency payments system for fat cattle". 62 This would be based on the adoption of the current Irish CAP guide price of £19.25 per live cwt. as the British guaranteed price for fat cattle – not the current British guide price of £17.49 which resulted from the British partial derogation from the EEC price review the previous March. If the price fell below £19.25 then the difference would be made up by a producer subsidy." Furthermore, the Labour government maintained that it had been "harshly treated by the EEC in import regulations". They have in mind "citrus fruits, peaches, salmon, Canadian matured cheddar and various other tropical and canned products which are not produced to any significant extent in EEC countries."63

In Anglo-Irish talks concerning re-adjusting the UK's net contribution to the EEC on 15 May 1974, the British emphasised that they were "not attacking CAP....but seeking re-adjustments to it". The Under Secretary of the Foreign and Commonwealth Office presented the UK's position outlining that it was not equitable that "any member states should have to pay more than they could on a GNP basis". In the British case this was compounded both on the expenditure and the receipt sides and they had been told in 1970 that this would be re-considered if such a situation arose. Butler explained three British suggestions for re-adjustment which would not attack the EEC's own resources system. The first suggestion entailed "an adjustment of gross contribution in proportion with GNP share". This, he admitted, would be likely to be open to more objections than the second.

Foster to DFA headquarters concerning Britain's re-negotiations on 21 May 1974, NAI DFA 2001/33/955.
 Foster to Dublin 21 May 1974, NAI DFA 2001/33/955.

The second suggestion was for the Commission, sided by a Working Party of the Member States, to "calculate the contributions and receipts of those member states with below Community average GNP per capita, and net overpayments by reference to a key based on principles of equity would be refundable". In practice, if the UK, Ireland and Italy were net contributors the appropriate amount would be re-imbursed to them. That amount would be an expenditure item on the budget of the following year and would be financed from "own resources". The third option would be to ensure that no loss for the UK would reduce the net gain of member states such as Ireland. ⁶⁴ But that arrangement for the Irish was essentially *just-retour*.

Callaghan re-enforced the same position on 12 November 1974 at the Council of Ministers. The UK essentially wanted to secure a self-correcting mechanism within the existing financial framework, which would operate when any member state was in this position of grave disparity between GNP share and financial contribution obligation, and would cease to operate when the position had corrected itself. But the British arrangement was underpinned by the principal of contribution in proportion to allocation of funding. Ireland had spoken out strongly against *juste retour* in relation to the ERDF. However, it was even more fundamental that *juste-retour* did not creep into institutional funding. That would go against Irish strategic interests. It would also contradict the basis of the fund which had been to help under-developed regions and thereby facilitate Community plans toward future EMU. This was also emphasised at the same Council meeting by The Netherlands, Italy and Ireland. 66

The budgetary problem was central to the question of the UK's future relations with the Community. The British Ambassador to Ireland reported to Keating in December that the Belgian proposal was positive but there was one main problem with it. However, the UK would like to see a statement included that when "a country's economic situation is taken into account it should be with particular reference to below-average GDP per head." This, Keating pointed out would essentially develop the idea in the Brandt speech that there were two classes of members and a "specific reference to below average GDP might strengthen that feeling." Ireland was not, as the UK had suggested, "advocating a *juste retour* system since it was obvious that some countries would benefit more than others in certain aspects of Community membership although membership was to the general advantage of all." ⁶⁷

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⁶⁴ Irish report on discussion with the British on 15 May 1974, NAI DFA 2001/33/955.

⁶⁵ Callaghan's statement at the Council of Ministers on 12 November 1974, NAI DFA 2005/4/409.

⁶⁶ Inventory of the economic and financial situation of the Community since enlargement, and survey of future developments at the Council of Ministers on 12 November 1975. Sent to DFA from Connolly in Permanent Representative on 13 November 1974, NAI DFA 2005/4/409.

⁶⁷ British Ambassador to Ireland and Embassy official Hickman met K (likely to be Paul Keating Assistant Secretary to DFA). Report copied also to Doer, Gallagher and Minister FitzGerald on 5 December 1974, NAI DFA 2005/4/409.

Ireland would lose its stance on cattle export to the UK.⁶⁸ The Times recorded that "The West Germans said that they would not accept the agreement unless individual countries cancelled measures such as special subsidies to farmers, and unless there were a fundamental review of prices and of the CAP itself".⁶⁹ Despite having lobbied for a bigger fund from 1973, Ireland accepted the ERDF that was offered in autumn 1974. However, it is important here to emphasise that there was a much larger issue at stake for the Irish within the Communities. If *juste-retour* was institutionalised, this could be disastrous for Ireland's future – as a net receiver – within the community.⁷⁰ But aside from strategic interests, this report also demonstrated a wider and more specialist understanding of larger institutional questions within the re-organisation of the Communities. While they sympathised with the UK position, a subsequent report in December 1974 highlighted that one of

our [Ireland's] interests would be in ensuring that the substance of the Community was not changed. It is an essential element in consolidation of the CAP as it encourages the member states to a more strict observation of Community preference and it consecrates the principle of joint financial responsibility. Despite British denials, their proposed principle will introduce the principle of *juste-retour* into the Community financing. Such a principle cannot be confined to one member state. It is only too probable that, if accepted, it would mean that all member states' contributions would be calculated by reference to their share of Community GDP

It concluded by warning that this would mark a "regression and the community would become like a free trade area" Negotiations at the Paris Summit for British correcting mechanisms were relatively successful and concluded in Dublin. The British Embassy in Dublin reported to the Foreign and Commonwealth Office on 13 March 1975

As you know, the Irish attitude throughout renegotiation has been one of anxiety that the Community should do as much as possible to accommodate British demands. Without sacrifice of any vital Irish national interest (i.e. principally in the CAP sphere). There are, of course, serious political implications viz-a-viz the North and, in economic terms, the Republic also has a great deal to lose if Britain should leave the Community.

Although the size of the ERDF had been agreed upon at Paris, there were some technical aspects which had spilled over into Ireland's Presidency in 1975. Officials reflected that COREPER

⁶⁸ One of Britain's main objectives in the renegotiations on cattle/beef will be to lower the 93% intervention point. Dublin already suspect this and it is reasonable enough to assume that Britain will be looking for an intervention of 85% of the guide price. Foster to ambassador on 28 November 1974 regarding a conversation with Berenett in Agricultural Liasion Office in EEC, London, NAI DFA 2005/4/409.

⁶⁹ Article by Dan van der Vat entitled 'Foreign ministers to join Europe crisis talks' in *The Times* 27 September 1974. Op cit.

⁷¹ Report concerning British Re-negotiation in December 1974, NAI DFA 2005/4/409.

meetings may attain agreement on some outstanding aspects but Irish officials would have to do a lot during its Presidency.⁷² The main difficulty arose due to an existing scheme in the UK designed to support failing industry through grants entitled regional employment premium (REP). The difficulty arose because the UK requested for the latter to qualify as part of ERDF. 73 It was designed to stimulate "conversion, re-adaptation and modernisation of established undertakings in our areas of industrial change as much as to encourage the implantation of new undertakings". But it was essentially an automatic aid which did not require investors to supply information on the number of jobs created or maintained by a particular investment expenditure. ⁷⁴ But the Commission objected to its inclusion because while nationalisation was not incompatible with the Treaty but the means adopted to achieve it under the industry bill could be conceivably regarded as State aids which were incompatible with the Treaty. 75 If the UK was permitted to retain REP, this could weaken the Commission's competition rules generally. But Finance officials also pointed out that the latter could be in Ireland's interests because it might ease the pressure on Ireland to amend or drop export profits tax relief. Common external tariffs to imports from states outside the Community was disallowed. Similarly, tariffs and restrictions on trade between states was barred. Ireland, however, since the mid 1950s had operated a range of tax incentives for industrial development. 76 But during accession negotiations in 1971-2, Patrick Hillery managed to secure an exception to this rule for Ireland.⁷⁷ Finance was concerned that the latter be maintained.

However, if an exception on REP was made in the UK's case, Ireland would not be in a position to maintain her competitive position if other more wealthy member states significantly raised their level of aids. But the same note also emphasised that Ireland's attitude to the British requests to retain REP should be one of neutrality at least. This would not be "inconsistent with the balance of our interests. Perhaps more important, a negative attitude to the UK case could induce that country to adopt the same attitude to our case on export tax relief." ⁷⁸

As well as interfering with competition rules as explained above, acceptance of REP would also interfere with "a set of principles of coordination of general regional aid systems". The Member States had agreed, by a Council Resolution, to abide by these principles. ⁷⁹ Making an

⁷² European Communities Committee on 18 February 1975, NAI DFA 2005/151/338.

⁷³ UK representative summarizes Council of Ministers (Foreign Affairs) in Brussels held on 11 February 1975, PRO

⁷⁴ Ibid.

⁷⁵ Finance sends a note to Gallagher in DFA regarding British re-negotiations on 20 February 1975, NAI DFA

Peter Murray, Facilitating the future, p.
 John Walsh, Patrick Hillery, p. 304.

⁷⁸ Finance sends a note to Gallagher in DFA regarding British re-negotiations on 20 February 1975, NAI DFA 2005/145/400.

⁷⁹ Ibid.

exception for the UK would effectively undermine those principles, damage the essence of ERDF and the *acquis*. The Commission therefore was not prepared to compromise.

The UK was determined to "gain acceptance of the principal that regional development grants may be eligible for re-imbursement, and work for the maximum freedom to use our [the British] share of the fund." The latter is important and had been discussed among senior officials particularly at the end of 1974 and in the context of renegotiations. The UK had campaigned for *just-retour* or getting back in grants what a state had contributed to the EEC. This, the Irish and Italians argued, went against the aim of ERDF which had been established to promote development and address regional imbalances. Another important difficulty, related to REP, that the UK expressed was its right to have full control of where funds were employed. Negotiations on the latter would continue at the Council of Ministers (Foreign Affairs) until mid May 1975. No solution was forthcoming and the Commission remained steadfast in its objections to REP. There was also a motion that the fund be extended. But the amount had been already agreed and ratified four months earlier. These discussions are important because Ireland sides with the Commission in maintaining earlier decisions. That action is interesting because Ireland had argued robustly for an extension to the fund in the autumn of 1974. But this action also ignored Finance's earlier recommendation, as quoted above, "for a neutral stance" to be adopted on this matter.

It should be noted, as highlighted in the previous chapter, that the implementation of the fund at national level would cause considerable friction between departments later in 1976/7. Tensions circled around diverse interpretations of the Commissions' principles of general regional aid systems.

Ireland's Presidency priority list was ambitious and covered a wide range of items. Some of these were inherited from previous Presidencies. He list combined the broader aims of the Community; the completion of British renegotiations (finalise the budget; reach agreement on Commonwealth imports) African Caribbean policy, common energy policy with Irish ambitions to achieve progress in agriculture reform and social affairs. But there were other important technical ambitions, agreed to in principal in Paris, which Irish officials could implement such as quality majority voting. Another task would be to establish the European Council. Having assessed the empirical files, relating to the Presidency, it is evident that Irish policy makers acted with flexibility to help resolve numerous technical issues.

Agenda-setting was utilized strategically and effectively by the Irish Presidency. Both the timing of the Dublin Summit as well as the implementation of QMV was opportune. Archival

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⁸⁰ Confidential note on 11 February 1976, PRO FCO 30/2593.

⁸¹ Ortoli's visit to Dublin reported in *Irish Independent*, 8 September 1973, UCDA P215/267.

⁸² Article concerning entitled "Regional Aid" in *The Times*, 19 May 1975.

⁸³ *The Times*, 30 April 1975.

⁸⁴ Presidency Priority List file (Draft February 1975), NAI DFA 2005/145/686.

research in both the British and Irish national archives indicates the latter. According to British officials "solutions would have been harder to find without the benefit of an intelligent hardworking and well-intentioned chairmanship." The timing of the Dublin Summit was discussed at great length at interdepartmental level. It was of great national importance that the British remained in the Community and the Irish government even lobbied Irish emigrants, resident in Britain, to vote in favour of British membership in the Communities. The British had requested the Irish government to schedule the renegotiations in order to allow it time to campaign effectively in the lead up to the election on membership in June 1975. Ireland's work programme facilitated the British and March was decided upon as a suitable date for the Dublin Summit. Similarly, the Irish decided to deal with the budgetary problems first. At the same time, not all UK requests were satisfied and for example discussions concerning New Zealand butter exports were delayed until after the Summit. Although, in the end, out of tedium or despair the Eight acceded to the New Zealand dairy request at the final stages of the Dublin Summit.

The Communities were at an important juncture institutionally, due to the establishment of the European Council, when Ireland took over its Presidency in January 1975. It was extremely important that the latter was introduced effectively but also in line with what had been envisaged and agreed upon in Paris. Discussions concerning the latter at the European Communities Committee in late January 1975 are important. Two themes dominated these meetings on this subject. Firstly, there were significant differences in opinion among states as to its administration and the inclusion of political issues. Secondly, Irish policy makers were concerned about setting precedents that could damage its success.

The French, for example, had suggested a special secretariat which would oversee the European Council's work to ensure adequate communication between successive presidencies and that Council meeting should be confined to heads of government and foreign ministers. But the Irish and particularly the Dutch governments did not accept French suggestions. They underlined that the European Council should consist of heads of government, foreign ministers, permanent representatives and one other senior official, together with the secretary-general of the Council and of course the President of the Commission. As for the content on the EPC side, it had been more or less decided at the Political Directors' meeting that the Heads of Government should be concerned about the state of affairs in the CSCE. The Foreign Ministers at their meeting on 13

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89Ibid.

⁸⁵ British Ambassador to Ireland sends a detailed memorandum to London's Commonwealth Office concerning the Irish Presidency on 29 May 1975, PRO FCO 87/418.

⁸⁶ Council of Ministers (Foreign Affairs) on 20 January reported from UK permanent representative to London, PRO FCO 30/2593.

⁸⁷ Desmond Dinan, Closer Union (1994), p. 91.

⁸⁸ European Communities Committee on 31 January 1975, NAI DFA 2006/131/1204.

February would place this on the agenda of the Heads of Government for 10-11 March. ⁹⁰ Irish officials reflected on the format of meetings skillfully and decided that "the meeting on 10-11 March would be largely on the Council side *de facto*, despite the fact that there was a desire to have something on the EPC side". Officials reflected further that the advantage of "starting with the Council on the afternoon of 10 March, taking EPC on the forenoon of 11 March and then going back to the Council in the afternoon was that, for instance, knotty issues in renegotiation could be opened up at dinner, texts could be worked on in the forenoon of 11 March and, for PR reasons, it was better to have the major issues resolved at the end". ⁹¹

Irish officials also reflected on the importance of COREPER. Maher warned at the same meeting that it was likely that the Foreign Ministers Council and possibly the Finance Ministers would serve as the equivalent of COREPER in preparing for the meeting of Heads of Government. But the latter could give the appearance to "the European Council as a court of appeal". It was vital therefore, in order to counteract this, Ministers could agree in general terms and then send the dossier back to COREPER for appearance sake. Similarly, the agenda for Dublin should be agreed on during the course of the meetings of the Council of the Communities (Foreign Ministers) in February. This would avoid a country with an urgent or particular problem of its own from insisting on it being included in the agenda at the last minute which may indirectly hinder discussions of more urgent matters.

Rasmussen outlines that the internal development of the Community during the 1960s as well as the first enlargement were important to the development of the *acquis*. It turned European legislation into a body of law "similar to that of a federal state which gave it supremacy over national law". But it was a gradual and, at times, difficult process involving much compromise between the original Six. Rasmussen quotes Sir Con O'Neil as having said that "behind every decision lays an often hard fought compromise and consequently to unravel or even to sidestep the *acquis* was similar to opening Pandora's Box". 94 Discussions concerning the management of the European Council indicate some important points. Irish officials had an advanced understanding of the workings of the Council. They were keenly conscious of avoiding patterns such as bypassing COREPER or creating a court of appeal which would have long term effects and may cause difficulties for later presidencies. This demonstrated considerable loyalty for the mechanisms already laid down in the Treaties as well as an appreciation of difficult compromises which had been involved in forming the *acquis*. The format established was practical but also highly sensitive

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⁹⁰ Ibid.

⁹¹ Ibid.

⁹² Ibid.

⁹³ Ibid.

⁹⁴ Morten Rasmussen 'State Power and the Acquis Communitaire in the European Community of the early 1970s' in Jan van de Harst (ed.) *Beyond the Customs Union*, p. 252.

to the exigencies of several member states regarding EPC as well as considerable flexibility and fluidity among policy areas that could be used to facilitate discussion but avoid damaging the integrity of the *acquis*. Irish officials had analysed, learned and hoped to improve on previous presidencies. But this research also highlights complex learning patterns. They used that technical knowledge to not only maintain but to protect and advance the *acquis*.

The Presidency of the European Council had considerable pouvoir on this occasion. It managed to help steer British re-negotations safely to port. It was also able to assert itself when it came to the European Council blocking French plans. It did not have full control over the outcome of the Summit but Irish officials' sensitivity and attention to detail particularily regarding British renegotiations is notable. But is it possible for a country to make its mark and single out its Presidency. Ireland managed to achieve this. It was noted by both British and American diplomats and will be detailed below.

Amplifier, Siliencer or both?

In the Nordic context, Egström, Tallsberg and Bengtsson explain the presidencies of Denmark, Finland and Sweden in terms of a metaphor namely silencer or amplifier. All three national governments handled their term very differently. Finland downplayed its national agenda while Sweden advanced its national interests 'without stepping on too many toes'. Finland was possibly conscious of its status as a new member state. While Denmark, on the other hand, advanced its agenda by pushing its own national interest through advancing EU enlargement as much as possible during its presidency in autumn 2002. And although this term is applied in the contemporary context, it can be adapted as an interesting metaphor to Ireland's first chairmanship. It will be important to trace whether Ireland was an impartial chair or did its strategic interests influence its ability to mediate: was it amplifier or silencer? Studying Ireland's first Presidency is fascinating because a member state should as chair act as an impartial arbitrator. At the same time, incidences have been cited above where Ireland's national interests were disadvantaged by the action of the Presidency. It oscillated between amplifying and silencing these national interests.

Member-states bring individual styles, historical baggage and national strategic interests to Chairmanship. The Presidency priority list was ambitious and covered a wide range of items including the completion of British renegotiations (finalise the budget; reach agreement on Commonwealth imports) and the Regional funds, EMU, African Caribbean policy, common energy

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⁹⁵ Bengtsson, R; Elgstrom, O. and Tallberg J., 'Silencer or Amplifier? The EU Presidency and the Nordic Countries' in *Scandinavian Political Studies*, Vol. 27, No. 3 (2004), pp. 311-334.

policy with Irish ambitions to achieve progress in agriculture reform and social affairs. ⁹⁶ At times, national and broader institutional ambitions such as the introduction of QMV co-incided. It was able to amplify certain issues such as social affairs. On the other hand, it chose to silence its objections to cattle exports for the sake of not impeding British re-negotations.

Because it was an innovation in the Communities' institutional set-up, this was the most difficult matter that had to be dealt with during the Presidency". There was no framework in place and a certain amount of "ad hoccery" seems to have been used in organising: internal coordination with the establishment and political divisions; interdepartmental coordination especially with the department of the Taoiseach and coordination with the delegations of other member states, the Council Secretariat and the Commission. However, at the same time, both London and the US commented positively on how that had worked.

As early as 21 January 1975, the Irish Ambassador in London reported at a meeting with senior British officials regarding majority voting in the Council. Irish policy makers and FitzGerald are recorded as perceiving this to have been an important step forward for the Council as a whole. Prior to this, decision-making on procedural matters could be easily hampered by individual member states through their power of veto. This was causing inertia and frustration in the Council. But not all member states and the UK in partitcular had not interpreted this in the same way." British files confirm London's position. Britain reported to an Irish official that "the Paris Summit was not under any obligation [regarding majority voting] as Fitzgerald felt". However, it is significant that QMV was not introduced until after the British referendum in June 1975. There was a danger that an earlier introduction may have caused difficulties for the British referendum because it may have been perceived as endangering British sovereignty. At the same time, however, Ireland was also concerned that if Britain delayed implementing quality majority voting at the Council until after the election, it could claim that quality majority voting had not been accepted by its population. However, Ireland was also concerned that if Britain delayed implementing quality majority voting at the Council until after the election, it could claim that quality majority voting had not been accepted by its

But this issue also touched on another important area for Ireland. FitzGerald had hoped to discuss QMV bilaterally with Britain as it has done with other member states. But Anglo-Irish relations in this period were at a particularly sensitive juncture. The IRA had announced a ceasefire and the convention elections were due to go ahead in NI. While Anglo-Irish affairs concerning NI were mainly managed in the Taoiseach's Office, the DFA was responsible for those relating to EEC

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⁹⁶ Presidency Priority List file (Draft February 1975), NAI DFA 2005/145/686.

⁹⁷ Review of Presidency: Reports by mission and individual chairmen, NAI DFA 2005/145/379.

⁹⁸ Letter from Ambassador Donal O'Sullivan to DFA head-quarters regarding British views on majority voting, NAI DT 2005/151/530.

⁹⁹ Status report from British Embassy in Dublin regarding Ireland's Presidency and majority voting. 21 January, PRO FCO 87/418.

¹⁰⁰ Letter from Ambassador Donal O'Sullivan to DFA head-quarters regarding British views on majority voting, NAI DT 2005/151/530.

matters. But on this occasion these issues collided. Fitzgerald had made several official visits to the capitals of the eight to discuss Ireland's Presidency of the Community but that "apart from his talk with you [Wilson] on December 19 his frequent contacts with UK Ministers related almost entirely to the affairs of NI". 101 The British Embassy in Dublin wrote a letter on 29 January strongly advising against this meeting.

The Ambassador said that there was a school of thought in Dublin which favoured an early meeting between the Taoiseach and the Prime Minister – possibly under an EEC pretext. The Ambassador said that he had been advising most strongly against this course which would "rock the boat" in the delicate play in which the British Government found itself over the cease-fire. The Secretary of State strongly supported that view and said that such a meeting could not fail to spark off wild rumours amongst the Ulster Protestants –and not only amongst the extremists –that the two governments were planning to sell out the North.

Furthermore, a meeting at a "later point in the Presidency may be more prudent" in order to give the British officials and politicians time to "have studied the Commission's proposals for budgetary correcting mechanisms." ¹⁰² The following day however Fretwell, from the European Integration Department in the Commonwealth Office, emphasised in a letter to Sir O'Wright that, despite Northern Ireland, a meeting would been opportune to discuss majority voting at the Council. ¹⁰³ The British Government prioritised the Convention Elections in Northern Ireland and did not seek a meeting with the Irish regarding quality majority voting. 104

Ireland managed to de-compartmentalize its Northern Ireland policy from European Affairs and manage re-negotiations with Britain with success. At the same time, Anglo-Irish discussions in a neutral EEC context could be useful. FitzGerald, for example, discussed both British renegotiation and power-sharing in NI with Callagahan on 20 December 1974. This issue also came up with Heath, as opposition leader on 19 Dec. 106 However, placing Anglo-Irish relations in the context of European policy bore fruit by also bringing both governments closer together on issues unrelated to Northern Ireland. This was outlined at the close of Ireland's Presidency in July 1975. The British Embassy in Dublin remarked that this renegotiation had outlined many areas of European Policy in which British and Irish interests coincide, and the new habit of consulting with them, are the main long-term gains we can look for after the Irish Presidency. We should make sure that we do not lose them by neglect. But I am also bound

¹⁰¹ British Embassy in Dublin report on a meeting with Gallagher from DFA in which he relates a message the Minister for Foreign Affairs, PRO FCO 87/418.

¹⁰² Letter from British Ambassador in Dublin to headquarters in London on 29 January 1975, PRO FCO 87/418.

¹⁰³ Letter from Fretwell to O'Wright on 30 January 1975, PRO FCO 87/418.

¹⁰⁴ Desmond Dinan, Ever closer union, p. 87.

¹⁰⁵ Notes made by FitzGerald of meeting with Callaghan 20 December 1974, NAI DFA 2005/4/409.

¹⁰⁶ Report prepared by Gaynor in Embassy to the UK concerning FitzGerald's meeting with opposition leader Heath 19 December 1974. This report was sent to DFA on 20 December 1974, NAI DFA 2005/4/409.

to say that the problem of Northern Ireland remains the dominant element in Anglo-Irish relations. In the long-term it is perhaps not impossible to imagine this would be healed in a developing European Community. But for the foreseeable future we cannot hope for this.

According to a British memorandum concerning the Irish Presidency, Fitzgerald "worked hard to establish the procedural conditions in which majority voting could take place". The Ambassador believed that "Ireland's interests will best be safeguarded by the progressive development and integration of Community institutions; and that majority voting on a wider range of issues will favour the smaller member states who are more vetoed against than vetoing". This view is reflected also in the Irish attitude to the procedures of the European Council." Indeed, the Irish would introduce QMV a month later, near the close of its Presidency, in June 1975. The latter had been agreed to by all member states in Paris.

While Ireland did not promote explicitly strategic interests such as cattle exports¹⁰⁹ and an expansion to ERDF, it did use the Presidency to highlight some important areas for Ireland but also for the Community at large. Garret FitzGerald addressed the EP more frequently than previous chairs of Presidencies. Similarly, it heightened the profile of the European Economic and Social Committee¹¹⁰ by arranging for Cathal O'Dalaigh, President of Ireland, to address the Economic and Social Committee on 17 June 1975. ¹¹¹ This was innovative because O'Dalaigh was "the first head of state of the country holding the presidency of the Council of Ministers to pay an official visit to the Community Institutions and to the Economic and Social Committee." On that occasion, its chairman Mr Canonge, welcomed President O'Dalaigh and recounted how "Ireland was a perfect illustration of what the founders of Europe like Jean Monnet wanted to achieve." ¹¹² Ireland used its Chairmanship, through this innovative visit, to emphasise and publicise an issue of important national interest. But officials were disappointed that no concrete progress had been possible on social policy it "suffered from the generally bad economic situation". ¹¹³

¹⁰⁷ British Ambassador to Ireland sends a detailed memorandum to London's Commonwealth Office concerning the Irish Presidency on 29 May 1975, PRO FCO 87/418.

¹⁰⁸ Fitzgerald, *An Autobiography*, p. 148.

According to the Department of Agriculture, "the presidency was not of great use to us in ensuring that the problems in this areas were resolved absolutely to our satisfaction but it was helpful to use to the extent that we were able to use the position to focus attention on the continuing crisis in the market and have the situation reviewed at each council". Review of the Chairmen, NAI DFA 2005/145/379.

¹¹⁰ The Economic and Social Committee assists and advises the Commission and the Council on social and economic issues. The ESC is modelled on national systems for institutionalising interest group participation in policy formulation and implementation. Members represent a wide variety of social and economic interests in the Community like employers, workers, farmers, environmentalists, professionals and consumers. Initially the Economic and Social Committee played a consultative role but after the Paris summit in 1972, it gained the authority to additionally submit opinions on its own initiatives. Dinan Desmond, *Closer Union*, p. 312.

President of the Irish Republic Cathal O'Dalaigh refers to upcoming pilot schemes in his speech to the Committee on 17 June 1975. Temporary European Council Archive Brussels File Number 6255.

Mr Canonge welcomes President O'Dalaigh on 17 June. Temporary European Council Brussels file number 6255.
 Review of Presidency: Reports by Mission on individual chairmen 11 June 1975-18 August 1975', NAI DFA 2005/145/379.

But the Presidency also had a cost to Ireland's strategic interests. Presidency duties were prioritised over usual national business. They even commented that the latter at times was neglected and "routine work was in arrears." But despite some disadvantages, Ireland used the Presidency to considerably boost its international reputation abroad. The ACP negotiations did not have any direct consequences for Ireland economically and therefore it was able to act as an impartial arbitrator representing the Nine. Indeed, the British reported that Ireland could 'devote their attention to the search for compromise without being suspected of deviousness'. But its role changed from playing a minor part in international agreements to actually representing the community during ACP negotiations and asserting itself as an independent country on the international stage.

But Irish politicians also took advantage of energy talks. The Irish Presidency had been criticised by Ortoli, as being "too outward-orientated". Indeed, Irish findings confirm an overemphasis on negotiations abroad rather than among the Nine. However, the latter afforded Ireland a significant opportunity to heighten its international profile. Indeed, diplomatic relations were opened for the first time with Israel and some Arabian states during Ireland's Presidency. 119

Although the Irish government had criticised the Community's failure to respond adequately to the employment crisis, it "did not itself provide constructive leadership in remedying the situation". ¹²⁰ Indeed, there was a much publicised clash between the Department of Labour and the European Commission at the end of the Presidency. The latter had misjudged the Commission's ability to provide a solution to the present employment crisis in Europe. The revival of the standing committee on employment was however a positive development. At the same time however, Ortoli admitted that there was a new "lease on life and greater determination as demonstrated by the EC's progress in many areas under the Irish Presidency" as well as "a new spirit of decision-making within the Council" which stemmed largely from the successful conclusion of the UK referendum. ¹²¹

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¹¹⁴ Review of the Chairmen, NAI DFA 2005/145/379.

¹¹⁵ There was close contact between Fitzgerald and the Secretary General of the Council Hommel during this period. Fitzgerald thanked Hommel for his help and co-operation during the preparation for talks. European Council Temporary file number 1.88 ACP (1975).

¹¹⁶ British Embassy in Dublin report on Irish Presidency, 13 March 1975, PRO FCO 30/38.

Fitzgerald recounts how one ACP Minister asked him what an Irish delegation was doing at the talks. That ACP Minister had reported to his headquarters that Sweden held the chair. Fitzgerald, *Autobiography*, p. 151.

Report concerning "EC Commission President Ortoli surveys the state of the European Community" sent from US Embassy to the EC in Brussels to US State Department and copied to all European capitals in July 1975. [21 April 2010] http://aad.archives.gov/aad/createpdf?rid=111529&dt=1822&dl=823

Paula Wylie, Ireland and the Cold War.

¹²⁰ 'Review of Presidency: Reports by Mission on individual chairmen 11 June 1975-18 August 1975', NAI DFA 2005/145/379.

Report concerning "EC Commission President Ortoli surveys the state of the European Community" [21 April 2010] http://aad.archives.gov/aad/createpdf?rid=111529&dt=1822&dl=823>

The US embassy in Dublin analysed Ireland's relations with the EEC since the early 1960s. It outlined that the early interest was largely a result of the simple economic reasoning that Ireland would be better off inside the Community and EC membership would diminish its dependence on the UK. However, the report surmises that, at this point, there is "a real loyalty to the community on the part of government leaders and most of the public." The same report concludes by outlining

as Ireland recedes from the Presidency to being just another member of "the club" (and a small and the only neutral one at that), we believe that Irish identification with Europe is an irreversible fact. In the same manner as Irish policy of the fifties was firmly grounded in a belief in the UN, so also we believe that "European identity" will be the touchstone of Irish foreign relations for the remainder of the decade. This might well be at the expense of their previous westward look toward the US.

At the closure of Ireland's Presidency, similar remarks were also evident among British diplomats. The British Ambassador in Dublin for example referred to Ireland as having surpassed itself in its "sound administrative base". However, further archival work is necessary in order to ascertain whether this opinion was also shared among other member states. But Ireland's main aspirations in 1973 to use the chairmanship – to prove itself capable of membership and leadership as well as to promote its commitment to Europe – appeared to resonate in London and Washington D.C. by July 1975. US and British sources indicated Ireland's ability to manage its Presidency relatively impartially. At the same time, it demonstrated considerable skill during British negotiations; strengthening the link between the Council and European Parliament; highlighting difficulties in the CAP and social issues in the Communities.

Conclusion

An important theme which runs through this chapter is Ireland's commitment to the EEC as a member state. Ireland's perception and interpretation of membership changed over its first three years as a member of the European Economic Community. Irish policy makers, immediately after membership, focused on emphasising Ireland's commitment to the EEC's political ideals. The minutes of inter-departmental meetings, during presidency preparation from 1973 until mid 1974, highlight an urgency and determination to make the presidency a success but also a necessity to prove Ireland capable of membership. But after two years of full membership and having become more fully familiar with the workings of the institutions as well as bargaining among the Nine, the

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¹²³ The British Ambassador in Dublin sends a memorandum concerning the Irish Presidency in 1975, PRO FCO 87/418

American Source State dept Sources on line. US Embassy in Dublin reports on Irish Presidency in July 1975. [10 February 2014] http://aad.archives.gov/aad/createpdf?rid=126485&dt=1822&dl=823>

latter began to play a more active role in community issues. Managing chairmanship gave Ireland the opportunity to demonstrate that it was capable and could get the job done. This period is marked by an attiude of 'Is féidir linn' or 'we can do it'.

The Presidency has been referred to by some scholars as responsibility without power to influence. These findings, on the other hand, reveal how subtle methods such as agenda-setting had significant impact on the development of the European Council. It is also evident that Irish policy makers acted with flexibility to help resolve numerous technical issues.

Analysing the Presidency is an important framework in which to examine Ireland's management of membership because one can trace both simple and complex learning processes over a two year period. The DFA gathered and circulated substantial reports regarding other presidencies and planned to innovate and improve on those. In some cases, notable adjustments were made. The Chairmanship also provides an important opportunity for the researcher to analyse whether Ireland was an impartial chair or whether its strategic interests influenced its ability to mediate. This chapter argues that it both amplified and silenced those national interests. It afforded Ireland significant opportunities to highlight certain issues such as the European Economic and Social Committee and building closer links between the European Council and the EP. Furthermore, it also benefitted Ireland's international profile particularly through ACP negotiations as well as strengthening relations with the US. 124

At the same time, Ireland's management of the European Council as well as its stance during the British re-negotiations regarding ERDF are important examples of where it prioritised Community objectives and protected the *acquis*. But this is not the only point that should be emphasised because archival findings also indicate a deeper appreciation of what the acquis actually was. Irish officials had learned the importance of not giving in on minor technical issues because these could have broader consequences and set precedents for future presidencies. But they also appreciated how hard-fought the compromises forming the acquis had been and the importance of protecting it.

As demonstrated, the Irish civil service and government adapted departmental responsibilities and structures to accommodate the Presidency, successfully co-ordinated and communicated with Community institutions, increased and trained its staff, studied and planned the work programme and provided suitable and capable chairmen for committee meetings. The British Ambassador referred to Ireland as having surpassed itself in its "sound administrative base". 125 The DFA managed to contain for the most part difficulties with Finance as outlined in previous chapters. But those misunderstandings, as experienced for example in travel expense re-

¹²⁵ The British Ambassador in Dublin sends a memorandum concerning the Irish Presidency in 1975, PRO FCO 87/418.

¹²⁴ Martin Wall, Ireland and the United States 1973-5: New Dynamics in the Transatlantic Relationship (forthcoming Irish Studies in International Affairs).

embursements, were still present in Dublin. But chairing the European Council actually helped the DFA in this regard. It effectively helped centralise European Affairs in the DFA and solidify its role as gatekeeper of European Affairs.

Ireland's administration openly sought advice from the Six between 1973-5 in preparation for managing its own presidency in 1975. But it also assessed its own presidency; successes and failures. Feedback from ambassadors and chairmen on the functioning of the Presidency were collected in the summer and autumn of 1975. That demonstrates an awareness of learning processes and institutional memory among senior civil servants. Therefore, it will also be important to ascertain whether that openness and those learning processes continued or whether path-dependency built up as Ireland's membership became more established.

Chapter VI

Handling or Mis-handling the Implementation of Equal Pay

Introduction

The previous chapter has demonstrated empirically Ireland's commitment to actively defending the *acquis communautaire* during its Presidency of the European Council in 1975. This chapter differs because it investigates Ireland's perception and interpretation of the *acquis* within the national context. Legislation guaranteeing equal pay for men and women for the same work has been chosen as the theme through which to analyse this topic. This theme will be demonstrated to reveal other new important aspects of Ireland's relations with the EEC.

The merging of member states' aspirations and ambitions— economic or otherwise— in the *acquis* is fascinating. Whether these were shared is debatable. But it is important to outline that such a collective initiative inferred considerable cultural transfer— one member state shared with, learned from or compromised with the others. The introduction and adaptation of legislation toward equal pay for men and women had important reprecussions for the societies of individual member states but also for the EEC as a whole. Similarly, some member states were more favourable to and adapted certain legislation more easily than others. In accepting the *acquis* through accession to the EEC in 1973, Ireland made a commitment to place itself on a level playing field with other member states. However, although it accepted and adopted the aspirations of the *acquis* on paper, it rejected them in the case of equal pay.

In a climate of considerable economic malaise and under pressure from the Federation of Employers' Union (FEU), the Irish government attempted to delay the introduction of equal pay legislation until it was forced to implement the latter by a European Court ruling in April 1976. ¹ Irish representatives mis-calculated: the determination of other member states and the Commission to introduce equal pay; the pace of effective implementation. The first section of this chapter traces discussions among officials from several departments about how best to handle that issue. It is argued that the impact of equal pay on Irish industry pre-dominated official decision-making. But where this was discussed and by which departments and at which level had important consequences for the direction that policy-making took. Empirical sources demonstrate that it was debated in a specialist sub-committee and bilaterally between departments and was detached essentially from the European Communities Committee. However, this removed it to a certain extent from debate concerning Ireland's overall objectives within the EEC. This reflects an important theme which appears in the first three chapters of this dissertation. These describe how Irish policy toward the

¹ Agence d'Europe reported on this ruling on 8 April 1976. This article is reported back to HQ for Kelly from Bonner 5 May 73, NAI DFA 2009/103/238.

EEC, beginning with negotiations for membership of the EEC, was split between Finance (national issues) and the DFA (relations with the EEC). This had an important impact on Ireland's policy-making concerning ERDF and equal pay. In both cases, the actual consequences of decision-making on Ireland's overall objectives within the EEC were played down and the national perspective predominated. It also provides another example of where the actual decision-making structure concerning EEC affairs breaks down. The DFA fails to contain Finance and filter communications through its offices resulting in considerable damage to Ireland's reputation within and relations with the institutions.

Conversely, the second section of this chapter will contrast official positioning with changes concerning women's position in Irish society. It will underline the complexity of that society and action for change and emphasise that there was considerable contact and transfer between associations such as the Irish Housewives Association (IHA) and equivalent organisations in Europe prior to Ireland's membership of the EEC. These contacts helped strengthen these associations. EEC legislation was important to developments in equal pay and empowered these groups considerably. Indeed, the Irish Housewives Association (IHA) would by-pass the government and lobby Hillery directly to reject Ireland's application for derogation. However, it also fuelled a critical debate in Irish society which questioned the woman's position in society not only in relation to pay and work but also concerning maternity rights. It has been shown that officials often drew comparisons with other member states in relation to managing, for example, the Presidency of the European Council. As discussion in Irish media gathered momentum, direct comparisons were increasingly made with West Germany and Northern Ireland. Activists went from requesting to demanding change and this had important consequences for Irish society.

Attempts to delay Equal Pay

Equal pay for equal work had been discussed and called for by womens' rights activists since the 1960s in Ireland but, as specialist academic research has demonstrated, progress for change in this area was relatively slow. However, in accepting the *acquis* and becoming a member of the EEC, Ireland also made a commitment to "the progressive application of the principle of equal pay for men and women aimed at abolishing all discrimiantion in wages". Women's groups were actually widely lobbied by the European Movement during Ireland's referendum campaign concerning accession to the EEC in 1972. Paradoxically, after accession, the Irish government delayed the

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² On 30 December 1961 the member states adopted a common declaration on the introduction by stages of equal remuneration for the same work as between men and women. Negotiating Brief prepared by the Department of Labour concerning equal pay for men and women 30 July 1970, NAI DFA 2003/1/126.

³ FitzGerald representing the European Movement gave several lectures to interest groups including the Irish Country women's association on the advantages of joining the EEC. During the latter he discussed in particular the advantages

introduction of equal pay legislation until it was forced to implement it by a ruling in the European Court in April 1976. This section details how and more importantly why the Irish government, despite general commitment to the *acquis*, chose to delay this legislations's implementation.

The government's action appears surprising if one examines earlier archives concerning official discussions and correspondence about the possibility of introducing equal pay. The issue had been discussed at senior administrative and ministerial level from the late 1960s and there was significant willingness to prepare for the introduction of equal pay. Patrick Hillery, as Ireland's Minister for Labour, visited the Commission in March 1967 to discuss this subject and those discussions are summarised in a report concerning equal pay prepared by the Department of Labour in May 1970.⁴ But the report refers to equal pay as an inevitable step rather than as a policy for debate. It underlined that significant adaptation to legislation would have to be introduced in order to ensure that the principle of equal pay for the same work was put into place and emphasised that the "satisfactory introduction and operation of the principle pre-supposes that there would be cooperation between trade unions, employers organisations and the governments of Member states".⁵ Hillery followed up Commission suggestions and consulted with the Irish Congress for Trade Unions (ICTU) and with the Federated Union of Employers (FUE) in May 1970.⁶

Irish women's groups and their lobbying will be analysed to a greater extent later in this chapter. It should however be mentioned, that despite women's representation within the ICTU, there are frequent complaints among women's representative groups that the ICTU were substantially uninterested in campaigning for this particular issue. And even though the ICTU called for the rapid introduction of equal pay during discussions with Hillery in 1972, lobbyists maintained that women had never been effectively represented in the unions and this was debated and commented upon frequently among women activists and in the media.

It is important to note that considerable information had already been gathered and analysed in Dublin concerning how other countries as well as the Commission had dealt with the introduction of equal pay. This brief is significant because it outlined attempts to introduce equal pay legislation in continental Europe's recent history. The introduction by stages of equal remuneration for the same work as between men and women originated in a common declaration by the Six on 30

for women of accession. This is an example of extensive lobbying as recorded by Neville Kerry's (K) personal papers at University College Cork Arvhives (UCCA), UCCA BL/PC/K 43/58.

⁴ Report prepared by the Department of Labour in May 1970, NAI DFA 2003/1/126.

⁵ Ibid.

⁶ Ibid.

⁷ Minute book of the international committee 1970-76. Note taken 19 February 1974 in Tweedy Papers (Tweedy), NAI 98/17/2/4/3.

⁸ Women were under-represented in the ICTU, according to members of the Women's Progressive Action (WPA), because of their absence from industry. In contrast women in the UK and in Europe worked during WWII and had better conditions. Conroy Papers or Attic Press series (AP), UCCA BL F AP 1208.

⁹ Negotiating brief prepared by DFA for the Department of Labour 30 July 1970, NAI DFA 2001/1/126.

December 1961. This was followed by a significant commitment which outlined that "by 30 June 1962 any differences in remuneration exceeding 15% would be reduced to 15%"; by 30 June 1963 any difference exceeding 10% [would be] to be reduced to 10% and by 31 December 1964 all discrimination in remuneration [is] to be abolished". ¹⁰ And although these specific targets were not met and equal pay was not yet in full application, increments in wages on the whole had been accompanied by the progressive alignment of female workers' wages with those of male workers." Having analysed this report's contents, one aspect is particularly apparent: the Commission's determination to introduce, despite several setbacks, legislation in this area. In general, the report concluded that wherever possible the Commission utilised its influence in favour of implementation. Member states were required to implement the equal pay principle directly in the public sector and there was "complete equality in the civil services of the Six." But the information contained in that report was not always accurate. It provided a less detailed and certainly less nuanced version of the actual reality. A series of articles in the Industrial Relations Review, published later in 1975, outlined the evolution of legislation concerning equal pay in every member state. The situation in countries such as The Netherlands was more complicated than represented in Labour's Report.¹³

Denmark provided another source for comparison which the DFA tapped frequently as membership progressed. There was a significant section concerning the adoption of similar legislation in Norway and Denmark. Both countries had ratified the ILO Convention no. 100 on equal remuneration for work of equal value and "should therefore not have any reservations about the EEC obligation". It also outlined that a confidential report from Copenhagen in 1967 detailed "equal pay for equal work was not applied generally in Denmark and no official moves had been taken in that direction". However, there was parity of salaries in the public service, at least in the upper half of the service. ¹⁴ Finally, it concluded that the Danes generally did not envisage "serious difficulties" in implementing equal pay and did not consider transitional arrangements as necessary. In the case of the private sector, the Danish Government's view was that the "fixing of wages and salaries should be left to collective bargaining between employer and labour organisations, without its intervention". ¹⁵ But the language used by Irish officials in these reports infers significant concern. Danish legislation was closer to the Six than its Irish equivalent. But on closer examination, industrial relations with the Danish government were not as idyllic as portrayed in this

¹⁰ Ibid.

¹¹ Report submitted in August 1971 and published in October 1971, NAI DFA 2003/1/126.

¹² Negotiating brief prepared by DFA for the Department of Labour 30 July 1970, NAI DFA 2001/1/126.

Equal Pay in The Netherlands: A progress Report', European Industrial Relations Reveiw, No. 17 (May, 1975), p. 6-9.

¹⁴ Ibid

¹⁵ Negotiating brief prepared by DFA for the Dept of Labour on 30 July 1970, NAI DFA 2001/1/126.

report and there had been substantial resistence to its government's unsuccessful introduction of equal pay in 1970.¹⁶ Irish officials also noted and remarked on considerable tension between these parties during discussions with the Commission in March 1974.¹⁷

Another theme re-emerges here which is common in earlier sections of this dissertation: there was at times significant disagreement between departments as to Ireland's policy making concerning the EEC; the DFA did not always act effectively as gate keeper for Ireland's policy toward the EEC. Some DFA officials demonstrated concern that Ireland was behind in adapting its national policy in line with the acquis. And even within the DFA another source reveals that there were wide-ranging opinions and, at times, disconsent concerning equal pay. As analysed in an earlier chapter of this dissertation, Ireland's White Paper on Membership of the European Communities also stopped short concerning equal pay. It contained no systematic discussion of the possible implications of membership for policy making procedures. However, the archives available demonstrate that there was considerable debate and discussion at senior ministerial level concerning equal pay from the late 1960s. And although the Minister for Finance confirmed that Ireland would introduce equal pay in 1972, the same department would vigorously oppose its implementation one year later. But, while some preparation took place at ministerial level, the latter did not penetrate moves for general structural reform within the civil service. Resistence to structural reform was mirrored in legislation concerning equal pay. As outlined in an earlier chapter of this dissertation, the Devlin Report endevoured to anticipate future requirements within the Irish civil service in order to prepare for re-structuring. 18 But several recommendations were not implemented. Devlin's call for a re-evaluation of the dual pay scale within the civil service was not acted upon.

Pay differentiation in the public service concerned marriage and not gender. Salaries were determined by two separate pay scales; 'head of household' would be entitled to greater remuneration for the same work than a single or unmarried person. But Luxembourg, Belgium and France had heads of household rather than exclusively male allowances. According to Garret FitzGerald in January 1976, it would be relatively simple to remove all genuine sex differentiation and the following steps would suffice: assimiliating the woman's rate to the man's rate in the relatively small number of cases where scales are sex-differentiated; extending the present B scale in the civil service to 'other' heads of household. That definition had been extended, for example, in Belgium in 1967 to include 'a person who has charge of children or dependants'. ¹⁹ FitzGerald's

¹⁶ This had been introduced in 1958. 'Equal Pay in Denmark: A progress Report', *European Industrial Relations Review*, No. 17 (May, 1975), p. 6-9.

¹⁷ Report of Meeting with Commission officials at article 119 special group on 29 March 1974 by FitzGerald on 3 April 1973, NAI DFA 2009/103/238.

¹⁸ The Devlin Report, p. 20.

¹⁹ FitzGerald wrote to Taoiseach Liam Cosgrave. Labour, Public Service and Attorny General are copied on 19 January 1976, UCDA P215/594.

suggested course of action was not acted upon. The Department of Public Service had also resisted assimiliating the unmarried into the married scale because they had successfully shown in conciliation and arbitration proceedings that the "married scale is the rate for the job" and is equivalent to the single scale paid in other occupations. But this comparison and case was moveable as they also compared the unmarried scale with the undifferentiated scale.²⁰

But that resistence to change indicated an important culture within the civil service and society at large. Women's role in the workforce was essentially envisaged as secondary. Opinions not only diverged concerning the possibility of implementing equal pay in the mid 1960s but other research has highlighted that that possibility was not even considered among some sectors. The same source reveals an important culture within the civil service which did not envisage or consider equal pay for equal work. As late as 1968, the Secretary to the Department of External Affairs wrote to the Taoiseach's Office outlining that he would be in favour of signing up to the Convention on the Political Rights of Women adopted by the General Assembly of the UN in 1952 subject to the following exceptions:

that exclusion of women from certain positions not be regarded as discriminatory, that the fact that jury service was not obligatory for women be regarded as non-discriminatory and that the government be granted the right to reserve judgement on employment of married women in public service and on unequal remuneration of women in certain professional positions in public service.²²

In response McCann advised the Taoiseach that issuing such a statement would have the net effect of actually emphasising the Irish position.

But Michael O'Leary, Ireland's Minister for Labour and acting head of the Council for Social Affairs during Ireland's chairmanship in 1975, emphasised the urgency of harrying this legislation and implementing equal pay in member states by the end of 1975. The same Minister went on to pilot national legislation through the Dáil in July 1974 that provided for the enforcement of equal pay by 1st January 1976 – one month before the deadline set by the Community. Ireland, appeared ready to introduce equal remuneration as programmed.

Instead, however, the introduction of this legislation was not smooth and caused considerable friction between government departments as well as between Ireland and the Commission. It miscalculated the level of resistence to equal pay and was cornered by the FUE, the

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²⁰Ibid.

²¹Geary, Patrick T., and Walsh, Brendan M. 'The economics of equal pay', *Journal of the Statistical and Social Inquiry Society of Ireland*, Vol. XXII, Part IV (1971/1972), p. 121.

The Secretary of the Department of External Affairs writes to the Department of the Taoiseach. Anne Bryson, *No Coward Soul* (Irish Public Administration, 2009), p. 138.

²³Article concerning equal pay in *Civil Service Review* in February 1976, NAI DT 2006/133/396.

Memo from Labour to the Taoiseach on 21 May 1973 outlining that the Commission expected the implementation of equal pay by April 1976, NAI DT 2004/21/611. These events are also outlined in Walsh, *Hillery*, p. 382.

Department of Finance as well as the Department of Industry and Commerce into applying to the Commission for a derogation. When that attempt failed, it applied for compensation to help industrial adjustment toward equal remuneration.²⁵

John Walsh and Diarmaid Ferriter have analysed equal pay thoroughly and these texts will be drawn on here to a certain extent.²⁶ But they do not outline inter-departmental debate in great detail and this is central to this dissertation's main research question. How was this issue handled, debated, managed and how was policy direction decided upon? It will be argued that there was a significant breakdown in communication and decision-making amongst government officials and politicans. It failed to filter communication with Brussels through the DFA and contain non-governmental groups such as the IHA. This analysis can also shed considerable light on the importance that Irish officials attributed to the implementation of EEC legislation nationally as well as its commitment to the *acquis*.

As outlined at the beginning of this chapter, this issue would affect and necessitate coordination between several departments DT, DFA, Industry and Commerce, Finance as well as by default agriculture. In theory the DFA, as gatekeeper of foreign policy and relations with the EEC, would represent, defend and promote Ireland's position within the EEC. Richie Ryan, provided alarming scenarios for inflation, public sector cost, and burden to industry if this legislation was introduced as originally projected. It was predicted that equal pay would increase the total wage bill by between 8 and 5.3% and would cause a rise in the general level of prices of between 3.6 and 2.4%. 27 But Ryan not only hoped to secure delaying its introduction but outlined that he thought that "the EEC date was still at draft stage" and that Ireland had a strong case to secure a derogation. Finance's line of argument outlined that the proposed EEC directive was part of the EEC social action programme which was, he argued, not intended to substitute for national policies rather in the context of what "individual member states were doing and can be expected to do within the limits of their resources."²⁸ But Ryan's case is considerably detached from the findings and information provided in Industry and Commerce's report circulated to all departments in July 1970.²⁹ However. this report as examined above emphasised that the Commission was determined to implement equal pay as soon as possible. Admittedly, Ryan did not join the Department of Finance as Minister until 1973. However, some staff such as Charles H. Murray served as Secretary of the Department from 1969 until 1976. Earlier debate is underlined because it highlights a lack of transfer of knowledge between departments as well as Ministers and their staff. Finance interpreted the implementation of

²⁵ Brigid Laffan and Jane O'Mahony *Ireland and the European Union* (Palgrave, 2008), p. 39.

²⁶ John Walsh, *Hillery* (2008), pp. 381-410 and Diarmuid Ferriter, *Ambiguous Republic Ireland in the 1970s* (Profile Books, London, 2013), pp. 655-679.

²⁷ Memo from Dept of Public Service to Taoiseach on 31 November 1973, NAI DT 2004/21/611.

²⁸ Ibid

²⁹ Report prepared by the Department of Labour in May 1970, NAI DFA 2003/1/126.

equal pay in accordance with the Treaty of Rome as flexible with room for transition. Despite Finance's objections, the Irish government initially agreed to implement equal pay after accession and in accordance with other member states by 31 December 1975.

Inter-departmental debate concerning this issue intensified considerably in the autumn of 1975– just three months prior to the scheduled introduction of equal pay. Equal Pay was not discussed substantially at the European Communities Committee. Instead, this was considered inter-departmentally. Finance, DFA, Taoiseach and the Department of Labour were principally involved. But the dialogue between departments is concentrated upon the consequences that the introduction of equal pay would have in national terms. Responsibility to the *acquis* is not of principal concern.

Correspondence between interest groups such as the FUE and the Confederation of Irish Industries (CII) and the Department of Labour as well as the Taoiseach's Office outlined the financial pressure their businesses would come under if this legislation was implemented 'prematurely'. 30 But, as has been analysed above the introduction of this legislation was not unexpected. Indeed, the Irish Congress for Trade Unions (ICTU) noted in December 1975 that "the 1972 national agreement made provision for the negotiation of equal pay awards which would have reduced the difference between men's and women's rates by almost one-half. The 1974 Act has been on the statute book for almost eighteen months." However, both the CII and the FUE were adament that implementation should be delayed and a Labour Court decision, which found that equal pay would put the footwear industry at risk, stengthened their case. The most optimistic estimate could be a loss of 500 jobs arising from the closure of 6-7 factories employing 450 to 570 people and cut backs of about 130 jobs. 33

Michael O'Leary, Minister for Labour, proposed introducing the Anti-Discrimination Pay Act by long and short titles in order to avoid a situation where the viability of companies or the maintenance of employment would be put at risk. He proposed establishing an independent assessment to decide whether specific cases would qualify to implement equal pay at a later date not extending beyond 31 December 1976.³⁴ But letters from CII and FUE are interesting because they epitomised a much wider problem between central government and industry. The first chapter of this dissertation considers Lemass' efforts in the 1960s to bolster the government's relations with this sector as further liberalisation was embarked upon.³⁵ However, there is a sense in these letters that a substantial number of industrialists were left behind in Lemass' and later Lynch's plans to

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³⁰ Correspondence between industrialist and Taoiseach's Office, NAI DT 2008/148/331.

³¹ ICTU note concerning equal pay 19 December 1975, NAI DT 2008/148/331.

³² Walsh, *Hillery*, p. 397.

Report on the Irish Footwear Industry to the Minister for Labour under section 24 of the Industrial Relations Act 1946, UCCA BL/F/AP/53/7.

³⁴ Report form the Department of Labour concerning ICTU and FUE positions concerning equal pay on 7 January 1976, NAI DT 2006/133/396.

³⁵ For a detailed analysis see Peter Murray, *Facilitating the Future*.

move Ireland away from protectionism and toward further liberalisation. The letters not only underline the economic burden that equal pay would impose but more particularly there is a sense of expectation of adquate compensation in this correspondence.³⁶ It should be emphasised, however, that during the same period, the Taoiseach had decided to delay implementing equal pay in the public sector. But it effectively expected industry to make the transition while the public sector was spared from conforming immediately to this legislation.³⁷

Industrialists refused to partake in discussions concerning equal pay with Michael O'Leary and the ICTU in November and considerable tension arose among these groups in the autumn of 1975. Analysing correspondence between Labour, Finance and the Taoiseach's office in autumn 1975 underlines what is uppermost in the minds of Ireland's civil servants and how delaying the implementation of equal pay was actually justified. It is important firstly to contextualise these findings because this issue came into the public domain during a period when unions were fighting for pay increases, inflation and unemployment were considerably high in Ireland. These concerns are emphasised and occupied a considerable part of Kirwan's brief concerning equal pay. In response to O'Leary's suggestion of introducing equal pay firstly in the public sector, Kirwan outlined that

the force of the arguments in favour of the approach suggested in the draft memorandum and heads is appreciated, your department may nevertheless, consider whether in current circumstances, when the overriding objectives of government policy are to moderate inflation and mantain employment, it may not be preferable that the deferral of increases in income should, so far as possible, affect all sections of the population in the same manner, if it is to be generally acceptable". ³⁹

The Taoiseach's Department recommended not making distinctions between the public and private sectors or within the private sector but to amend the Act simply by substituting 31st day of December, 1976 for 31 st December 1975 in section 13.⁴⁰ It was important, according to Kirwan, to maintain equity between these different groups of women. He also expressed concern regarding O'Leary's suggestion to put procedures in place for granting exemptions to certain businesses. He argued that even if firms' accounts and assessors' reports were treated confidentially firms would come under "strong pressure from creditors with adverse consequences for employment". ⁴¹ Furthermore, the implications for Ireland's relations with the EEC did not figure largely in Kirwan's note except to seek the view of the AG as "to whether the outcome of any action before

³⁶ Correspondence between industrialist and Taoiseach's Office, NAI DT 2008/148/331.

³⁷ Letter from Kirwan to Secretary at the Department of Labour 31 December 1975, NAI DT 2006/133/396.

³⁸ Correspondence between FUE and companies with Dept of Labour and Taoiseach, NAI DT 2008/148/331.

³⁹ Letter from Kirwan to Secretary at the Department of Labour on 31 December 1975, NAI DT 2006/133/396.

⁴⁰ Ibid.

⁴¹ Ibid.

the European Court of Justice in relation to the directive on this matter would be materially different in relation to (i) the amendments to the Act proposed in the draft Memo and (ii) the amendment referred to above". ⁴² But examining Kirwan's line of argument is important because it omits any reference to or evaluation of the actual principle of equal pay. And while equity between groups of women is emphasised, equal pay for equal work between men and women is not.

A supplementary note to the Taoiseach on 8 January from Kirwan outlined another important difficulty. This issue came into the public domain during a period when unions were fighting for pay increases. Inflation was high and at a meeting on 10 December between the government and primary representatives of the major national economic organisations it was stated that "those who have jobs, either in the public or private sector, should agree not to press for any further pay rise at least until the end of 1976. While the ICTU had objected strongly to delaying the introduction of equal pay, Kirwan demonstrated concern that "on the other hand, workers and unions may take the view that the movement towards equal pay is in the same category as claims for special "increases" or "claims to remedy serious inequities". The ICTU could, Kirwan noted, "adopt the attitude that if there is restraint it should apply equally to all." The government was fearful of setting a precedent against which other sectors could base arguments for increases in payment. Two issues should be emphasised: firstly the national situation took precedence over EEC obligations; Kirwan's attitude to responsibilities encompassed in the Treaty of Rome was flexible.

Another aspect which is surprising is that the DFA remains relatively silent. There is limited correspondence from the Minister for Foreign Affairs suggesting an alternative way of introducing this legislation. There was considerable tension between Labour and Industry and Commerce. The FUE, ICTU and women's representative groups were also in steady contact with the government. Iveagh House, therefore, took a step back and waited for the Taoiseach to decide on his preferred course of action. However, FitzGerald's action appears ill-advised particularly through the consultation of other sources. An interview with a member of the Cabinet suggests that FitzGerald was very confident of securing concessions in this area. Hillery's papers support that view and he mentions that FitzGerald was naive, at times, and was willing to risk and over-estimated compensation that he could attain for Ireland regarding equal pay. At the same time, serious logistical and organisational difficulties have been outlined in Hillery's cabinet in a previous

⁴² Kirwan to Labour copied to Taoiseach and Sectretary. Nally agrees on 31 Dec 75, NAI DT 2006/133/396.

⁴³ Letter from Kirwan to Secretary at the Department of Labour on 31 December 1975, NAI DT 2006/133/396.

⁴⁴ Kirwan to Taoiseach on 8 January 1976, NAI DT 2006/133/396.

⁴⁵ UCDA 215/594.

⁴⁶ Correspondence from Brendan Dillon to FitzGerald advising of the unliklihood of an exception in Ireland's case on 3 March 76. Similar correspondence from Paris to HQ on 4 March 76, UCDA P215/594.

⁴⁷ Interview with Neville Keery (Hillery's Cabinet) in July 2012.

⁴⁸ Diary of Patrick Hillery on 26 July 73, University College Dublin Archives, UCDA P205/69.

chapter and communication between Hillery and the DFA and including Ireland's permanent representative was irratic at best even during Ireland's Presidency of the EEC.

But despite these circumstance, Hillery communicated with Dublin that it was unlikely that the Commission would grant a derogation to the Irish government which effectively delayed the introduction of equal pay by one year. Despite these warnings, Ireland pressed on and submitted its request. It is surprising, therefore, that FitzGerald was not more voiceferous in his objection to seeking a derogation in the first place. He was, according to one official document, reluctant to seek derogation but was agreeable to it in this case. ⁴⁹ But considering the correspondence from the Taoiseach's office which favoured delaying implementation, FitzGerald may have preferred to invest his energies elsewhere because the government had effectively already decided which line it would pursue.

Following the AG's recommendations, the Irish government applied to the Commission to secure a derogation which would effectively enable it to delay the implementation of equal pay by one year. The first two months of 1976 will be summarised here in order to contextualise new findings. In February 1976, Hillery accompanied by two legal advisors from the Commission Jean-Pierre Delahousse and Marie-José Jonczy met with FitzGerald and Ireland's Attorney General Declan Costello in February 1976 to discuss this issue. ⁵⁰ The meeting however, became considerably tense when Commission staff began to accuse the Irish government of reneging on its responsibilities as a member state. This was followed by a decisive meeting in Strasbourg on 11 of February when the Commission supported Hillery's recommendation to reject the Irish government's request for derogation. Hillery's stance was given even more credibilty by the action of womens' organisations in Ireland which had also lobbied Hillery in Brussels to reject the Irish government's application. The same day, Hillery expressed regret that "Ireland which had so recently called on the Commission to expand its social policy, had become the first state to seek a derogation from the equal pay directive". ⁵¹

This situation created considerable tension between the Commission and the Irish government. But the the Irish government instead of failing to contain these tensions actually exacerbated difficulties in the following weeks. Having rejected Ireland's request, the Commission decided to send a team of Commission officials to Dublin to investigate financial solutions to the problem. It presented figures and data in order to make a case for special treatment and to secure funds to help Irish industry in its transition and full implementation of this legislation on 19

⁴⁹ NAI DT 2006/133/396.

⁵⁰ Hillery (Commissioner of Social Affairs) Ed FitzGibbon (Assistant to Hillery) and two legal advisors Jean-Pierre Delahousse (Acting Chief Advisor to the Commission) and Marie-José Jonczy (Legal Services Directorate) were

present at the meeting. ⁵¹ Walsh, *Hillery*, p. 389.

February. This proposal originated in CII suggestions about protective tariffs in certain sectors and the formation of a £25 million adaptation fund. EBU as Walsh writes, a "gaping hole emerged between the Irish estimates for the cost of implementing equal pay and the Commission's assessment of the necessary aid. Irish officials claimed £20 million while EEC officials estimated that no more £5-6 million should be granted to the Irish government up until December 1977. But these projections had been based on the assumption that Irish pay differentials would have approached the best EEC practice. The actual cost was more likely to be in the range of £10-15m. Ireland's claim was rejected, according to Hillery, because now the "Community or the Commission felt that they had to defend themselves against a government which is trying all out with all weapons of propaganda to stick a responsibility on the Commission which belong [ed] properly to the [Irish] Government".

Tensions, already high, rose to new heights when the coalition failed to contain its Minister for Finance as well as funnel relations with the Commission through the DFA. Richie Ryan decided to hit back at both Hillery and the Commission for 'its disloyalty'. He released a press statement emphasising that "Hillery as well as the Fianna Fail members of the EP had abused their position in Europe and damaged Ireland's reputation". ⁵⁷ But Ryan also criticised the Commissioners which he referred to as unwitting puppets playing to Hillery's tune. He followed this up by making another statement after a meeting of the Finance Ministers on 16 February 1976 saying that "if the EEC want to force on us [the Irish government] a policy which will cost the Irish taxpayer more money, then the EEC must supply the revenue". ⁵⁸ In his diary, Hillery described Ortoli's ire eloquently as well as the overwhelming support shown by other fellow Commissioners against the Irish government. Indeed, they [the Commissioners] could not "go back from the orientation [rejecting Ireland's application for funds] after what Ryan [had] said about Patrick [Hillery]". ⁵⁹

Differences in member states' aspirations, ambitions economic, cultural or otherwise were possible. But some historians describe an important non-national space having emerged which bound those member states together through the *acquis*. Unless a specific exception was outlined on accession, a new member state would be obliged to adapt to agreements preceding its membership. Ryan's action did not espouse these principles.

⁵² Letter from CII to the Minister for Industry and Commerce on 25 February 1976, NAI DFA 2009/103/238.

⁵³John Walsh, *Hillery*, p. 394.

⁵⁴ John Walsh, *Hillery*, p.389.

⁵⁵ Policy position paper entitled 'Suggested line to be taken by Irish Officials in Meeting on 19 February 1976 with EEC officials about equal pay', UCDA P215/594.

⁵⁶ Hillery's Memoirs on 5 March 1976, UCDA P205/72.

⁵⁷ John Walsh, *Hillery*, p.392.

⁵⁸ John Walsh, *Hillery*, p.393.

⁵⁹ Hillery's diary of his time as Commissioner Feburary-March 1976, UCDA P 205/72.

⁶⁰ For an analysis of the *acquis* see Morten Rasmussen "State Power and the Acquis Communautaire in the European Community of the early 1970s" in Van der Harst (ed.) *Beyond the Customs Union*, p. 252.

But Rvan's outburst was based ironically on false information unverified by the DFA's permanent representative in Brussels. Futhermore, Ryan had prepared this note before a Cabinet meeting to discuss equal pay and had left instructions with his department to have this note ready before the government meeting actually came to an end. But the official, referring to a note from the Government Information Service (GIS), highlighted that this incident had created considerable concern to the Minister for Foreign Affairs (MFA) because the statement had been issued and he referred in this connection to the "informal decision taken at the government meeting on the 17 ultim that all speeches by Ministers on foreign policy must be cleared beforehand with the MFA". FitzGerald, the note related, had expressed surprise that this decison had not been circulated to his department and to the Government Information Services (GIS) before issuing to the press. ⁶¹ Ryan had effectively by-passed the DFA. Indeed, FitzGerald had attempted to contain the damage by telephoning Ortoli on the same day as Ryan's attack calling it 'intolerable'. 62 However, it should be noted here that FitzGerald had written to Ryan only days before his outburst. FitzGerald was an economist by training and made suggestions about calculating a survey on the trend in public service pay. He essentially emphasised the importance of considering the 'incremental factor because the service had undergone considerable expansion'. ⁶³ No evidence has come to light as to how Ryan received these suggestions but he may not have appreciated FitzGerald's input at this juncture.

The Commission's attitude hardened once more in the following weeks. Hillery explained that there was no possibilty of derogation and that the offer of assistance was "not to pay for economic solutions but to aid the Community instruments". ⁶⁴ The latter could set a dangerous precedent of paying a country for implementing Community legislation. Ortoli joined the meeting at this point and re-iterated directly to FitzGerald that the Irish situation was 'tres mauvais' from beginning to end and that Ireland was getting into a bad position vis-à-vis the Community.

The government's action damaged Ireland's reputation among the Nine substantially. Indeed, Hillery's papers relate Ortoli's reaction. He referred to the enthusiasm the Irish had demonstrated during its chairmanship and "now they want to escape their responsibilities". He called it 'dreadful' because the same enthusiam had been replaced by "claims that they couldn't fulfill it [implementation of equal pay] and wanted an escape clause for a small number of cases and now they had escalating costs". He irony of this situation is well described in an Irish Times

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⁶¹ This information is contained in an internal note in the Department of the Taoiseach to the Secretary. The signature is not deciperable but is dated 8 March 1976, NAI DT 2006/133/396.

⁶² Hillery wrote in his memoirs that Ortoli told him about a call he had had with Garret FitzGerald on 16 February 1976, UCDA P205/72.

⁶³ Letter from Garret FitzGerald to Richie Ryan on 12 February 1976, UCDA P215/594.

⁶⁴ Hillery's diary on 4 March 1976, UCDA P205/72.

⁶⁵ Hillery's diary related to equal pay February-March 1976, UCDA P205/72.

⁶⁶ Hillery's diary on 4 and 5 March 1976, UCDA P205/72.

article which emphasised that if the government had handled the "equal pay matter with more vision it might not have found itself so badly concerned". It had not "expected the opposition it received" both from the Irish public and from the Commission and failed substantially to put its case across in time". 67 Archives reveal that there was actually considerable sympathy for Ireland's economic situation among some members of the Commission. According to Mosca, Ryan's objective to eliminate the current account deficit by 1978 is extremely unlikely of being achieved.⁶⁸ However, Ireland's mis-management of relations with the Commission did not entice goodwill from its European neighbours. Indeed, it was pretty "well unpopular all around". ⁶⁹ While the Commission was adament that it would not grant a derogation, it may have acted more generously in helping Irish industry in its transition toward equal pay. That lost potential is inferred in Hillery's memoirs.⁷⁰

Equal Pay: Movement and change in Irish Society

But if the Irish government did not manage to contain Finance, it also failed in its efforts to placate Irish womens' organisations which by-passed the Irish Government and lobbied the Commission directly for equal pay in February 1976. This came at a critical point in negotations between the Irish government and the Commission. But the equal pay debate had other important consequences for womens' representative groups and society in Ireland. EEC membership effectively provided a new lens through which Ireland's future could be envisaged. It exposed Ireland increasingly–firstly through the introduction of legislation but also by stimulating debate – to alternative influences from the Continent.

A closer analysis is necessary to illustrate that while EEC membership was important to the progression of legislation in this area, there were other bilateral and transnational links and influences which pre-dated accession. The reality was more complex because women's rights organisations were already active in this area. EEC membership however meant that women's groups had another arena where they could voice their concerns and this had the net effect of actually empowering the group. The campaign for equal pay had an important influence on the progression of women's rights because it consolidated a segregated community of women from numerous backgrounds behind achieving equal pay on a par with its EEC neighbours. And while equal pay had important political and economic repercussions for women, it was distant from social and cultural issues which had proved historically more divisive among women's groups in Ireland.

⁶⁷ Irish Times, 22 January 1976.

⁶⁸ Note on 19 July 76 for Donal Kelly from Bonner relating conversation with Mosca, NAI DFA 2006/131/941.

⁶⁹Hillery's diary related to equal pay February-March 1976, UCDA P205/72.

⁷⁰ Hillery's diary on 4 March 1976, UCDA P205/72.

This issue also stimulated considerable comparison in the media between labour legislation in Ireland and Northern Ireland. Terrorism and political disharmony often dominated headlines concerning Anglo-Irish affairs in NI during this period. Changes to labour legislation in Ireland, UK and NI was now examined in relation to EEC regulations which provided a fresh outlook from narrowly Anglo-Irish affairs. Furthermore, it laid the seeds for further campaigns throughout the 1970s including amendments to the Irish social welfare payments system.

It will be necessary to begin by contextualising this debate in longer term movements among activists. As the 1970s progressed, the feminist movement in Ireland developed essentially along two opposing ideological branches – women's rights and women's liberation. The first worked particularly through legal reform and anti-discrimination policies while the second branch took a more far-reaching analysis through the radical transformation of basic social institutions including family, sexuality, religion and education. This model may be applied to some extent in the Irish case. As the 1970s progressed, a number of other groups emerged. As well as the Council for the Status of Women (CSW), two other groups became prominent which called for the transfomation of basic social institutions. Women's Progressive Action broke from the IHA in 1970. The Irish Women's Liberation Movement (IWLM) formed in 1970 and the more radical Irish Women United (IWU) was established in 1975. Considerable tension emerged at times among these groups and they focused on wide-ranging issues. However, they co-ordinated well together in campaigning for equal pay.

As the movement for equal pay gathered momentum, journalists record the attendence of representatives from the IHA and ICA at rallies all over Ireland. Notwithstanding these additional sources, primary archival findings have a tendency to reflect the views of middle class, urban women to a greater extent. How representative were these groupings? That question also perturbed many activists such as Eileen Fennell in the early 1970s who wrote that equal pay was a luxury that did not matter to some women who were struggling to provide the most basic needs such as adequate food, clothing and healthcare to their families. Some actually accused the women's movement of being irrelevant. Indeed, Fennell left the Irish Women's Liberation Movement and founded an organisation to promote women's wellbeing called Action Information Motivation (AIM) in May 1971. The type of society that these movements were born into was complex. Finnegan and Wiles underline that "economic depression and protectionism of the 1930s, the neutrality of the war years and the emigration drain of the 1950s were hardly conducive to a change in the status of women". Women's organisations from 1922-1972 were operating at the margins of

 ⁷¹Linda Connolly, *The Irish Women's Movement from Revolution to Devolution* (Lilliput Press, Dublin 2003), p. 91.
 ⁷² Article concerning society at work entitled 'Women Together', *New Society*, Vol. 21 (14 September 1972), UCCA

⁷³ Eileen Fennell resigns from the WLM. She is very critical of the WLM, UCCA BL/F/AP 1114.

society.⁷⁴ The Second World War provided the opportunity for many women in North America, Europe and Britain to engage in a variety of work in industries including engineering, munitions and mining hitherto closed to women. With the end of the war, many women left non-traditional industrial work.⁷⁵ In contrast, Irish women were not afforded these opportunities due to Ireland's neutral status in WWII.⁷⁶

Although the IHA operated at the margins of society especially in the 1950s and 1960s, it was still vulnerable and open to attack. Hilda Tweedy records in an interview that IHA membership was decimated after a press release was misquoted in the media. It was accused of "being red" or having communist ideals in October 1976. But there is another aspect which should be outlined here. While the IHA attempted to attract members from the community at large, there was another important institution whose influence should not be under-emphasised. One of the extraordinary paradoxes in the history of the Republic is the considerable tension between the ideal of a liberal state, with an emphasis on a cohesive community vision, and the traditional values it esposed. The Catholic Church had a special place within the Constitution. Notwithstanding official legislation, the social context is a more complicated forum in which to contextualise activists in the IHA and in the Irish Women's Movement. There were several dynamics at play within society which influenced the IHA's image and attraction for potential members. It did not attract popular appeal until the 1970s. The vulnerabilty of its position when it was accused of being communist in 1976 has been mentioned but its non-denominational nature did not help either.

Other historians have emphasised that the Catholic Church enjoyed considerable influence over Irish society during this period. In the 1950s, 60s and 70s, it remained an important point of reference in Irish society and espoused overwhelmingly partriarchal values. And, therefore, those values, as outlined in the Constitution which envisaged a women's place as being predominantly at the centre of the home, were re-enforced by Catholic teaching. An interesting paradox emerged where women were "denied equal treatment in terms of rights and yet "culturally they were venerated as the centre of the family as symbolised by the figure of Mary, the mother of God". 81

Catholicism was embedded in Irish society and while it is difficult to prove that the "faithful" were discouraged from joining associations such as the IHA, these groups were an

⁷⁴ Richard Finnegan and James Wiles, *Women and Public Policy in Ireland a documentary history 1922-97* (Irish Academic Press, 2005), p. 9.

Deborah Stienstra, Women's Movements and International Organisations (Macmillan Press, 1994), pp. 64-67.
 Naomi Wayne wrote on the history of Ireland's women workers in Irish Times article 12 November 1976, UCCA
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⁷⁷ Hilda Tweedy, *A Link in the Chain the story of the Irish Housewives Association 1942-1992* (Attic Press) and Anna Bryson, *No Coward Soul*, p.137.

⁷⁸ Finnegan and Wiles, *Women and Public Policy*, p. 1.

⁷⁹ The Irish Constitution Art 41.2.

⁸⁰ Diarmuid Ferriter, Occasions of Sin-Sex and Society in Modern Ireland (Profile Books, 2009).

⁸¹ Finnegan and Wiles, Women and Public Policy, p. 1.

unknown. It was an independent, non-denominational movement outside the parochial net. Unlike its Northern counterpart, the IHA was determined to remain non-denominational. This had the considerable advantage of being inclusive but, at the same time, there was a significant fear of the unknown. And while the IHA was not actively promoting family planning issues, it was perceived as having the potential to widen its scope in the future to include these themes. It is ironic and will be expanded below that while the IHA's non-denominational nature helped distance it from becoming secularised and possibly embroiled in Anglo-Irish relations, the same trait had the opposite effect on potential Catholic members. Another incident that may have caused concern to potential members is the fact that the IHA had supported the mother and child scheme effectively against the Catholic Church in 1952.82 IHA members remained at the margins of society and the IHA and Women's Movement did not attract popular appeal until the 1970s. And even in the 1970s, views remained wide-ranging and this is well exemplified by a meeting of the Cork Federation of Women's Associations in April 1975. While an ICA member called for action to improve a women's place in society, a Mná na hEireann (Women of Ireland) representative advocated 'our lady of Knock as Irish Woman of the Year'. 83

Finnegan and Wiles explain women's history in Ireland in terms of stages. The first was the initial movement for the "right to vote, and the extension of the claims on rights made by women, through the women's suffrage movement" which had been played out before the winning of independence in 1922. The second lasted from this date until the establishment of the Committee for the Status of Women in 1972 and was "characterised by cultural and religious elevation coupled with political and economic exclusion". And while the latter was similar to other European countries, in Ireland it was "infused with a particular image of the place of the women in the family according to Catholic teaching". 84 This second stage is often under-represented in the writing of Ireland's history. Greater emphasis is placed on developments in the 1970s. These findings, particularly in the Tweedy collection, demonstrate that the 1950s and 1960s should not be underemphasised and are extremly important to moves for the adaptation to equal pay in the early 1970s. Notwithstanding this, Finnegan and Wiles' time frames can be useful in helping to illustrate this research. The same historians define 1972 until the late 1970s as the equality contract in which equal treatment for women in the realm of employment and state services as well as the rectification of discrimination against women was sought. The final stage shifted the agenda to issues in which equality of opportunity had formally existed but activists now highlighted the practices that made them discriminatory.

⁸⁴ Richard Finnegan and James Wiles, *Women and Public Policy*, pp. 423-424.

Anne Bryson, *No Coward Soul*, p. 135.
 Knock is a town in the West of Ireland where apparitions were claimed to have taken place. Ibid., p. 152.

Although IHA membership was relatively small and limited in its social makeup, it laid the foundation for progress in the 1970s. Indeed, Tweedy is recorded as voicing frustration when it was claimed that nothing happened in the field of women's rights from the foundation of the state until the modern women's liberation movement. Its work concentrated on a wide range of issues including: subsidised milk for pregnant and nursing mothers; school meals and consumer protection. But the IHA also lobbied the government to accept women as jury members in 1973 and helped canvas for the election of women candidates at local level. ⁸⁵ But another aspect of IHA work which is often under-emphasised is its involvement in the International Alliance of Women (IAW). As the only women's organisation in Ireland affiliated with the IAW, Tweedy attended its congress in London in 1967. ⁸⁶

The UN had issued a directive to women's non-governmental organisations to ask their affiliates to examine the status of women in their respective countries. They were requested to lobby individual governments to urge change and to establish a Commission on the Status of Women in each country. 87 The Irish branch of the Association of Business and Professional Women received the same directive and both organisations called for a National Commission on the Status of Women the same year. But the UN initiative produced a new type of mobilisation among organisations active since the foundation of the state. Organisations representing varying interests and religions rallied behind the UN directive. Members from the IHA, Association of Business and Professional Women, Altrusa Club, ICA, Irish Nurses Organisation (INO), Dublin University Women Graduates Associations, the National Association of Widows, the Soroptimists' Clubs of Ireland, Women's Zionist Organisation, Irish Council of Women, Association of Women Citizens and the Association of Secondary School Teachers (ASTI) met in Trinity College Dublin hosted by the Dublin University Women Graduates' Association in March 1968.⁸⁸ It is important to emphasise that these groups were mainly run on a voluntary basis. There was no financing to rent meeting halls for example. Initially, TCD and later the ICA provided facilities. 89 Concern and preparing requests to government for funding is referred to frequently in Tweedy's files. 90 But it is important to underline the range of cross cultural and cross sectoral interests which were represented at these meetings. An external imputus from the UN had essentially brought these

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⁸⁵ Anna Bryson, Coward Soul, p. 134.

⁸⁶ Linda Connolly, *Women's Movement*, p. 94.

⁸⁷ Anna Bryson, *No Coward Soul*, p. 134.

⁸⁸ Linda Connolly, Women's Movement, p.94.

⁸⁹ Linda Connolly, *Women's Movement*, p.90.

⁹⁰ Hilda Tweedy, *Chain*, p. 16.

groups together. Activists associated and collaborated increasingly with each other forming wider networks. New groups also burgeoned in the early 1970s particularly in university campuses.⁹¹

But, as well as through international bodies, the IHA also established important bilateral links. Indeed, there was also considerable contact with German organisations in particular. Indeed, exchange programmes were organised in which Irish women hosted German colleagues and correspondence is frequent. Tweedy's minutes are not detailed and do not expand on what was actually discussed during these journeys. It appears that the motivation was overwhelmingly cultural. But the IHA was involved in a series of campaigns, as outlined above during the late 1960s, and it is difficult to imagine that these were not discussed to some extent among Irish and German activists. Despite the fact that the IHA had limited membership in the 1960s, it laid down considerable groundwork by establishing itself both nationally and internationally. These links could be later used as foundations from which to grow and develop its international experience.

But members of the IHA and association of Business and Professional women with experience of earlier campaigns employed the UN directive tactically as a political resource. Indeed, Linda Connolly emphasised the importance and consistency of membership in these organisations. Their skills were a significant 'catalyst in the formation and expansion of a broader base of the women's movement' in this period. These two associations established an ad hoc committee in order to lobby the government to establish a Commission to analyse the status of women in Ireland in 1968. The Council for the Status of Women which originated in the Committee for the Status of Women (currently the National Women's Council) became the chief interest group representing women's organisations in Ireland.

It will be important to briefly outline the various organisations campaigning for equal pay in the early 1970s. The IHA was broken into the following groups in the early 1970s: equal economic rights; education; international understanding; civil and political and equal social rights. ⁹⁷ The latter two groups were entirely taken over by Women's Progressive Action in 1977. These working groups fed into the ad hoc committee for the promotion of equal pay. It is significant that despite ideological differences, activists co-ordinated well together and essentially mounted a national

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⁹¹ These groups were mobilised well by the Promotion for Equal Pay Committee to gather signatures in order to petition government for the immediate implementation of legislation concerning equal pay. Letter from University College Cork student's Union to ad hoc committee on 27 January 76, UCCA BL/F/AP/1207/23.

⁹² Minute Book of the International Committee with enclosures in Hilda Tweedy Papers, NAI Tweedy 98/17/2/4/3.

^{93 &#}x27;Maternity Provisions in West Germany: A review of current practice' in *European Industrial Relations Review*, No. 33 (September1976), p. 15.

⁹⁴ Stienstra examines global connections among women 1970-90. Deborah Stienstra, *Women's Movements*, pp. 90-116. ⁹⁵ Linda Connolly, *Women's Movement*, p. 90.

⁹⁶ Ibid., p. 96.

⁹⁷ Minute book of international committee of Irish Housewives Association. Note not dated it appears to be an explanatory note used for reference explaining the origins of the varying groups concerned with lobbying for women in the early 1970s. Tweedy was Head of Equal Economic Rights Section until 1977 when Hennessy took over until 1981; Kennedy was in charge of Education 1976-81; Hackett led International Understanding until 1977 when Tweedy assumed this role until 1981, NAI Tweedy 98/17/2/4/4.

campaign to secure equal pay. The "Save the Equal Pay Act Committee" is an example. ⁹⁸ But it should be emphasised that these groups rallied around lobbying the government to implement equal pay gathering 35,000 signatures from all over Ireland and presenting them to John Kelly, parliamentary secretary to the Taoiseach, on 9 February 1976. ⁹⁹ Rallies involving a cross section of women's organisations such as the ICA and IHA were also organised to discuss equal pay. ¹⁰⁰ This effectively channelled and concentrated the movement's efforts in lobbying the Irish government. ¹⁰¹

Its timing was astute because this document was presented to the Irish government during the same time period as it appealed to the Commission for a derogation. Tweedy also made a trip to the Commission to highlight the wishes of Irish women in February 1976. These gestures effectively voiced the wishes of Irish women and demonstrated their frustration at its government's stance in resisting the implementation of equal pay. But it is interesting to also consider the actual petition. It was mentioned above that IHA membership was largely middle-class and Dublin based. However, the signatures, through the ad hoc committee which represented women with wide ranging interests and backgrounds, were gathered from a large geographical and social range. Its timing also maximised media coverage both national and European at a critical time for the Commission's decision on derogation. ¹⁰²

Another theme recurs here which appears in other chapters. Ireland's administration was slow to consult outside of central government. This was mirrored in its communication with local government concerning ERDF. There had been some progress in the 1960s when Lemass established stronger links with industry encouraging it toward liberalisation. This had evolved to a certain extent although it is questioned in this chapter how much the industrial sector was on board and ready for adjustments after membership. It certainly desisted reforms to pay scales after accession even though these had been muted by Hillery as early as 1968-69. However, official correspondence in relation to equal pay also indicates that some important elements in Ireland's central administration were also fearful of adjustment and sympathised with the industrial sector. These essentially helped to strengthen and secure the argument for firstly seeking derogation and secondly compensation from the Commission.

But there is also a strong tendency to desist from consulting with women's groups. Indeed, correspondence between departments does not even refer to these interest groups. Tweedy refers to this in her monograph and emphasises the importance of helping to return women candidates as

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⁹⁸ Diarmuid Ferriter, *Ambiguous Republic*, p. 664.

⁹⁹Letter from promotion for equal pay ad hoc committee to John Kelly (Parliamentary Secretary to the Taoiseach) on 9 February 1976, UCCA BL/F/AP/53/9.

¹⁰⁰ Anne Bryson, *No Coward Soul*, p. 152.

¹⁰¹ Gemma Hussey wrote to Conroy to congratuale her on campaign's successes, UCCA BL/F/AP 1207/54.

¹⁰² There are several boxes of Irish and international news articles collected during this period relating specifically to Ireland and equal pay in the Conroy Papers, UCCA AP 1208/6 until 1208/13.

representatives at local and national level. 103 Indeed, Irish activists were at a considerable disadvantage to their American colleagues. Lee Anna Banaszak examines the women's movement in the US inside and outside of the state. She provides an historical account of the feminist underground within the US. Large scale changes in American administration provided opportunities for professional women within the state. Despite discrimination, the federal government had a "long history of employing women allowing a network of professional women to thrive within the ranks of the state before the Women's Movement". 104 This research also reveals that the civil rights movement lacked a network of mid-level policy makers who could serve the cause. In contrast, the women's movement had a network, although small in number, which was well spread throughout government. 105 Banaszak concludes that those feminist activists were positioned to have a disproportionate impact. 106 In contrast, there were very few women at mid to senior level within Ireland's civil service. Indeed, any women employed in the central public service occupied overwhelmingly junior positions. Theekla Beere, who chaired the Commission on the Status for Women, was a notable exception. She quietely subverted the "male monopoly at the head of the civil service by becoming the first woman to be appointed as secretary to an Irish department in 1959. The next would not appear until 1995. 107

This situation was mirrored in the Irish Congress of Trade Union (ICTU) – Ireland's biggest trade union organisation. Nuala Fenell compared this with UK membership underlining that progress in the UK concerning equal pay was accelerated due to pressures also from the unions. Relatively few Irish women workers were members of a union. The European Trade Union Confederation estimated that only 36% of working women were represented at union level in Ireland. There was considerable debate in the Irish media as to why this was the case. Women were, essentially, one academic outlined, a reserve workforce. They were a transient workforce – difficult to organise. They were often the last to get jobs and the first to go in times of recession. They did not figure largely in the leadership of the ITGWU despite their presence and action during the ICTU's establishment. Helena Chenevix, Louie Bennett, Helena Malone and Kay McDowell were notable but rare exceptions. But this phenonomen was not restricted to Irish shores. Indeed, it was emphasised that women and unions were relatively slow to mix internationally. Although

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¹⁰³ Hilda Tweedy, *Chain*.

¹⁰⁴ Lee Anna Banaszak, *The Women's Movement inside and out of the State* (Cambridge, 2010), p.39.

¹⁰⁵ Ibid., pp. 44-46.

¹⁰⁶ Ibid., p. 90.

¹⁰⁷ Anne Bryson, Coward Soul, p. XV.

¹⁰⁸ The Irish Press took attendence at the ICTU's annual conference to emphasise its lack of female representation. In 1959 for example only 17 out a total of 321 attendees were female while by 1970 this number had increased to 29 out of 476. That situation was the same by 1975 when 9% or 29 out of 476 attendees were female. *Irish Press*, 25 October 1975, UCCA BL F AP 1208/5.

¹⁰⁹ Article by Nuala Fennell entitled 'Irish Women and Trade Union' in *Women's Choice*, 12 February 1976.

¹¹⁰ Book entitled *Women and Work* funded by the EEC and published by European Trade Union Confederation in 1976. ¹¹¹ Article reporting on research by Dr Lewenhak, *Irish Times*, 27 October 1975, UCCA BL/F/AP 1208/5.

women, for example, formed as much as 40% of Britain's workforce, they accounted for considerably less than one third of the membership of TUC affiliated unions. ¹¹² Francis Devine, who would later publish a history of Ireland's trade union movement, highlighted at an ICTU conference in 1976 that women had 'been effectively written out of Ireland's trade union history'. A small and separtate but militant women worker's union dated to 1911 and campaigned continually for women's equal pay and right to work in the 1930s and 1940s. ¹¹³ But Devine outlined, on a later occasion, the advantages that greater female membership could yield. Women, he outlined, "brought a humane concern for all the underprivileged to the trade union movement and expanded its horizons beyond mere wage bargaining" ¹¹⁴

Although this situation ameliorated as the 1970s progressed, the ICTU was effectively catching up with the progress that women's representative groups such as the IHA had already secured. There are complaints in the Tweedy papers that the ICTU effectively ignored women's issues. This source indicates significant mistrust on the part of IHA members towards the ICTU's willingness or capacity to defend and promote its sector's interest. Had been to contextualise these findings. As mentioned in the first section of this chapter, the ICTU was involved in wage negotiations with the Irish government since the early 1970s. Had been workers' claims for equal pay. And while the ICTU made statements that it agreed in principle with EEC moves to implement equal pay, it was slow to channel resources towards effectively lobbying for change within government circles. As the 1970s progressed, a section, dedicated to women's issues, was founded within the ICTU and studies as well as a charter on women's rights was commissioned.

Equal Pay: implementation in Ireland

Although women were relatively under-represented in senior positions in the Irish government, timing and personnel were pivotal to the advancement and implementation of equal pay in Ireland. Firstly, Patrick Hillery had become Commissioner for Social Affairs in 1973 with responsibility for the preparation of EEC legislation concerning equal pay as well as ensuring that this was also implemented in other member states. Activists, such as Hilda Tweedy, were well acquainted with

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¹¹² In 1974, 31% of women workers in the UK were members of a trade union while this increased to 36.6% in 1974. Reported in *The Guardian*, 16 March 1979, UCCA BL F AP 1208/5.

Article reporting ICTU conference in Trade Unions, Irish Times, 6 May 1975, UCCA BL F AP 1208/5.

Article reporting on research by Dr Lewenhak, *Irish Times*, 27 October 1975, UCCA BL/F/AP 1208/5.

¹¹⁵ IHA minute book of international committee 1970-76, NAI Tweedy 98/17/2/4/3.

¹¹⁶ Relate Information Bulletin of the National Social Service Council details national wage agreement, *Relate*, November 1976, NAI DFA 2009/103/238.

¹¹⁷ The ICTU adopted a Charter of Women's Rights on 10 August 1976. It was reported as covering education, job opportunities, equal pay, vocational training, re-training, social security, social and legal rights and maternity protection, *Irish Press*, 10 August 1976.

Commissioner Patrick Hillery. They had met at ICEM events and had been in contact concerning equal pay during Hillery's time as Minister for Labour in the late 1960s. ¹¹⁸ Furthermore, and as mentioned in the first section of this chapter, Hillery is recorded as having a significant commitment to this issue notably as Minister for Labour. And, therefore, Irish activists had the possibility of direct contact with the Commissioner. But having over twenty years experience in national politics, Hillery was well acquainted with resistence to its implementation as he had had direct dealings with industry and unions concerning this issue at the end of the 1960s. It is difficult to tabulate how much Irish women were influenced by women's rights movements in the US and Europe. However, these influences co-incided with EEC membership. At times, the latter can be over-emphasised and given full and sometimes exclusive credit for the implementation of equal pay in Ireland. A more nuanced description is necessary. As described above, women's groups were already discussing and campaigning for progress on this issue before Ireland's membership of the EEC. Furthermore, primary sources demonstrate that they were already engaged with equivalent groups internationally.

EEC membership facilitated the advancement of equal pay in Ireland. Membership essentially created another set of legislation which was imported and integrated into Ireland. But this, inadvertedly, also established Brussels as another forum in which non-state actors could lobby. Legislation was not only decided upon in Dublin but also in Brussels. This had significant consequences for the women's movement in Ireland. Activists could now also lobby directly in Europe for the implementation of equal pay. The Irish government's decision to delay implementing equal pay encouraged these activists to do just that. This issue is a good example of where a non-state actor was actually empowered due to Ireland's EEC membership.

The Tweedy papers are not thorough and Tweedy's history of the IHA has proved a more detailed source. However, these demonstrate that Hillery met with Hilda Tweedy in the autumn of 1975 and spring 1976. IHA representatives had also been invited to the Social and Economic Commission of the EEC where they intended a seminar regarding "Women and the European Community" to discuss the recent EEC survey "European Men and Women". But Hillery, according to Neville Keery, actually co-ordinated with the IHA to arrange the meeting in Brussels. This action would strengthen Hillery's case to reject Ireland's claims in the Commission. Indeed the IHA meeting was quoted in Hillery's remarks at the following press conference.

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¹²¹ Interview with Neville Keery in July 2012.

¹¹⁸ Notes concerning ICEM symposium on 13 March 1976 held in Dublin. Hillery addressed the symposium with a paper entitled'The Employment of Women and its Problems' on 13 March 76, NAI Tweedy 98/17/10/2/1. ¹¹⁹ Hilda Tweedy, *Chain*.

¹²⁰ Report of the International Committee of the IHA to the International Alliance of Women in preparation for its congress on 20-28 July 1976, NAI Tweedy 98/17/2/5/9.

But there is also an important and interesting dynamic at national level because Hillery approached the IHA directly. Irish trade unions were displaced in a sense and women's organisations were recognised as the official representatives —not the ICTU — of their position. This empowered organisations such as the IHA which had advocated and lobbied for legislative amendment long before membership of the EEC and long before the ICTU. The ICTU therefore appeared to be catching up on well-established issues within women's organisations.

These events also fuelled public debate concerning women and their place in Irish society. That led to further analysis concerning for example social welfare payments to women as well as maternity leave for working mothers. West Germany, for example, had introduced legislation for paid maternity leave in 1972. Irish media carried considerable information and comparison between the position of women in other EEC member states. Angry newspaper columns surfaced. Ireland was "leagues behind women in all other European countries in or out of the EEC." While women's interest in other countries is uplifted to sophisticated levels of thinking and participation (feminist-related areas of legal rights and social needs having been recognised as general government responsibility), "Irish women are still in the throes of educating the hierarchies of government and church about such basic issues as the needs of unmarried or deserted mothers". ¹²³

Comparisons made for startling and sober reading. The Irish Press quoted the results of a book published by the European Trade Union Confederation. It reported that only 13.5% of married women work in Ireland; 60% in West Germany; 67% in the UK and 43% in Luxembourg. "Women looking for work in Ireland are hampered by the problems of endemic unemployment afflicting the nation, and also by the traditional concept that the woman belongs in the home." This is not helped by a significant lack of day-care facilities and trade union representation. Indeed, the same analysts outlined that only 36% of Ireland's female workforce were represented in trade unions and highlighted several cases of discrimination. It outlined that if a woman in Ireland became pregnant within two years of a contract the latter could be cancelled within four months of the pregnancy. ¹²⁴ But underlining the Irish case also stimulated more advanced debate concerning childcare. The Irish Independent reported in November 1976 that Ireland "is the only country in the EEC which does not have legislation for maternity protection". In fact, virtually all the countries in Europe – East and West – now protect the rights of women workers before, during and after confinement". The same article emphasised that the Anti-Discrimination Bill of 1976 fell far short by only proposing to give women workers protection against dismissal on the grounds of pregnancy and does not tackle

¹²² 'Maternity Provisions in West Germany: A review of current practice', *European Industrial Relations Review*, No. 33 (September1976), p. 15.

¹²³ The Irish Press, 1-2 January 1976, UCCA BL/F/AP/1208 (6).

¹²⁴ Irish Press outlined details of a book entitled "Women at Work" published by the European Trade Union Confederation on 20 November 1976, UCCA BL FAP 1208/5.

the area of maternity rights whatsoever. 125 It is ironic that in a state which recognised the mother's role as important in supporting the state without which 'the common good cannot be achieved', there was no fiscal or social assistance in place to support the same mother at her most vulnerable – in the last stages of pregnancy and immediately after childbirth. 126

During the EEC referendum campaign in 1971, Irish politicians had advocated membership on the grounds that it would bring the Republic and NI actually closer together. Membership would be an important shared interest but it would also place both in the same legislative grouping. Joe Lee writes of Ireland in terms of a former colony – lacking confidence in its future – which tends to continuously look and compare itself ironically with the UK. 127 These trends are strongly present in the Irish media before EEC membership. They concerned everything from political strategies in terms of gaining membership to social benefits and unemployment figures. There is also considerable comparison with legislation North of the border. However, EEC membership brought another panorama. Not only could direct comparisons be drawn but these could be illustrated also in relation to EEC legislation. It is clear that both countries would have to prepare and adapt considerably to many aspects of EEC legislation including in the area of labour. But it became more evident and was underlined also in the media that some countries adapted more quickly than others. Indeed, the UK had already introduced equal pay from 29 December 1975. 128 The difference in labour legislation was marked because, for example, it was illegal for women to work at night in the Republic. Protective legislation prevented this while women were free to do so North of the border. 129 This was due to considerable reform to the UK's labour legislation in the late 1960s and early 1970s. Indeed, the Irish Times drew comparisons with female members of the workforce North of the border. It recounted a story about "Mary who loves her job as a night taxi driver". ¹³⁰ Comparisons between Ireland and Britain concerning equal pay were now caterpulted into another forum and were examined in a new EEC context. Two years before this, Garret FitzGerald had emphasised his wish to speak to the British about anything other than Anglo-Irish Affairs. This became an important effect of EEC membership for Anglo-Irish Affairs. Dual accession of Ireland and the UK created another context in which to debate and present new issues/responsibilities or aspirations. Equal pay legislation is an important example of an issue

¹²⁵ Irish Independent, 23 Novevember 1976, UCCA BL F AP 1208/2.

¹²⁶ The Irish Constitution Art 41.2. 127 J. J. Lee, *Ireland*, pp. 511-658.

¹²⁸ The equal pay act was passed in 1970 (one year later in NI) and became operative in December 1975. 'Equal Pay in the UK: A Progress Report' European Industrial Relations Review, No.24 (December 1975), p. 13.

¹²⁹ This issue came to the fore during a telephonists strike in August 1976. Female telephonists in Ireland claimed that they should be paid on the same scale as their male colleagues who also worked at night. It was illegal for a woman to work at night, UCCA BL F AP 1208/12.

¹³⁰ Irish Times, 19 November 1976, UCCA BL F AP 1208.

which was discussed outside the narrow confines of Anglo-Irish relations and which more importantly was relevant to all Nine member states.

The IHA was an active member of the International Women's Alliance. Similarly, it had also established important bilateral links particularly with its German equivalent. In contrast, other research has noted that Irish and Northern Irish women's representative groups were slow to cooperate. There is relatively little communication with its Northern colleagues especially after 1972. But it is important to contextualise that women's groups in Northern Ireland became increasingly associated and entangled with the Peace Movement. And, while initially concerned with attaining better working and social conditions for women in general, leaders became increasingly politicised and associated exclusively with the rights of nationalist women in NI. Some more radical elements were accused of being associated with terrorist activities. 133

It is evident from IHA notes that its members were determined not to differentiate between nationalist and unionist communities. After 1972, there is a detachment from contact with its Northern associates. This is also understandable because the Irish government ardently condemned terrorist activity. Certainly, detachment was better for the IHA's relations with the Irish government. However, the IHA decision went further than maintaining good public relations with the national executive. Its members had no wish to politicise or segregate its cause in the Republic. There are several explanations for this. It is difficult to trace the backgrounds of individual members of the IHA in order to establish a profile of its membership. This information is not contained in remaining archives or within the minutes of meetings. However, members were overwhelmingly middle class and Bryson claims protestant. ¹³⁴ Associating with the peace movement North of the border would risk alienating some of these members. Furthermore, southern activists had no control over how radical Northern activists could become. This demonstrated considerable prudence on the part of Southern activists. Indeed, in NI the campaigner's decision to associate with the peace movement had the net effect of actually watering down their messsage considerably.

Despite these considerations, there was some contact. But the latter is only alluded to in the Tweedy papers and was not made public. Indeed, the German women's association was put in contact with its equivalent in Northern Ireland through Hilda Tweedy. The note is short and does not give any detail about the conversations which took place between Tweedy and Brigitte Oross

¹³¹ Janou Vonderwülbecke, 'How the International Women's Movement discovered the 'Troubles', 1968-81' (PhD thesis, EUI, Florence, 2008)

¹³² Minute book of International Committee of Irish Housewives Association 14 September 1976, NAI Tweedy 98/17/2/4/4.

¹³³ Myrtel Hill, Women in Ireland a Century of Change (Blackstaff Press, 2003), pp. 173-185.

¹³⁴Anne Bryson, No Coward Soul, p. 134.

from the Deutsche Fraune ring in Dublin. The latter then travelled to Belfast to meet with NI activists in Belfast but there are no further details recorded. 135

Conclusion

The first section of this chapter outlined how and why Ireland struggled in particular with the introduction of equal pay after membership of the EEC. Despite Hillery's warnings that the Commission was unlikely to grant a derogation for the Irish government, it pressed ahead in seeking the same anyway. But these developments highlight a couple of important issues relating to Ireland's management of membership of the EEC.

Even though the Irish government had committed itself to implementing equal pay after accession, it reneged on its reponsibilities to the acquis. Finance and the Taoiseach's Office, therefore, prioritised national economic interests and the concerns of organisations such as the FUE and CII.

But this is an example of a wider difficulty within the administration which is described in detail at the beginning of this chapter. As the 1970s progressed, technical expertise in specific policy areas meant that specialist committees were formed like that concerning equal pay and removed from debate within the European Communities Committee. While this can be understandable due to the specialist and legal nature of equal pay, the focus of policy-making was shifted. Correspondence is concentrated on the impact that equal pay would have on the national context and less so on the consequences that failure to implement would have on Ireland's position within the Communities.

The second section of this chapter underlines that there was a significant gap between Irish official policy-making and the ambitions of associations representing women's interests. But opinion also diverged within Irish society and among Irish policy makers as to the wisdom of reforming pay scales. Irish representatives essentially mis-calculated the determination of other member states and the European Commission to implement equal pay legislation. But Finance's action also indicated considerable bitterness on the part of Finance toward the Commission. The government failed to contain that and its reputation was, according to reports, considerably damaged. Furthermore, depite a successful presidency, it threw into question Ireland's loyalty to the acquis.

But the aguis had the potential of having important consequences for society at large. It cannot be considered as initiating debate because women's representative groups such as the IHA

¹³⁵ Minute book of International Committee of Irish Housewives Association 14 September 1976, NAI Tweedy 98/17/2/4/4.

and ICA were already active in lobbying well before EEC membership. Campaigns for basic help for poor families as well as statutory rights to maintenance, property in marriage and inheritance had been initiated prior to 1973. They had also built important alliances bilaterally as well as in larger groups such as the International Women's Alliance. ¹³⁶

And while EEC membership certainly facilitated the implementation of legislation, it also had other important repercussions. The Commission highlighted this issue and made the Irish government accountable for implementing equal pay. The complexity of Irish society has been outlined above as well as the ideological differences between some womens' groupings. However, the campaign in gathering signatures against the Irish government actually unified these groups in fighting for this issue. The alliance which formed effectively by-passed the Irish government by being in contact directly with Hillery. This empowered it significantly.

Membership also facilitated direct comparisons and these were highlighted in Irish media concerning equal pay. The conditions of workers in NI were underlined. But, it is important to emphasise that EEC membership effectively provided a new lens through which Ireland's future could be envisaged. It exposed Ireland to new influences from continental Europe, stimulated and deepened debate. Irish newspapers drew comparisons increasingly with other EEC member states. This triggered broader debate on maternity leave, childcare and social welfare payments. Examining public debate during this time is fascinating because lobbyists make a shift from wanting to expecting change. These claims were, at times, strengthened by drawing on direct comparisons with colleagues in the EEC.

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¹³⁶ Diarmuid Ferriter, *Transformation*, p. 574.

Chapter VII

Direct European Parliament Elections in Ireland; the Arrival of a New Government

Introduction

This chapter will discuss Ireland's management of the EP elections from 1975 until 1977. Its commitment to STV and the historical context in which the debate took place will lay the foundation for how Ireland decided to proceed and manage direct elections to the EP. FitzGerald lobbied for and obtained additional seats for Ireland in the European Parliament. However, rather than prolonging debate, he prioritised securing a date for the commencement of direct elections over holding out for more seats. This chapter will focus on how Ireland examined and prepared for direct EP elections. It will be shown that this subject was studied at a particularly sensitive time in the history of Ireland's electoral system. Reform had been discussed, attempted but became embroiled in disagreements among national parties. Some proposals were claimed to advantage or disadvantage smaller or bigger parties. But preparation for EP elections demonstrate the following: firstly administration was very much focused on the circumstances of national elections; recommendations were prepared overwhelmingly by one department and finally no thorough analysis of the European Parliament and the scope of its remit was considered.

As early as the Conference of Ambassadors in April 1973 and in the Dáil on 9 May 1973, FitzGerald emphasised the importance of the EP saying "our long-term interests will be best served by an evolution of the European Community towards a more democratic structure, involving a greater supranational element in the form of a strengthening of the powers of the European Parliament and, in time, possibly a movement towards the implementation of the qualified majority voting system, perhaps at Sub-Council level in the first instance." As progress was beginning to be felt at the Council, the Irish government requested the Department of Local Government to begin analysing how Ireland could manage these elections. But these studies were complicated by a change of government in June 1977.

Analysing Ireland's management of how EP elections would be organized domestically is an important example of how membership of the European Communities required Ireland to reconsider its electoral map for the upcoming EP elections. However, these preparations sparked considerable debate for a number of important reasons. Firstly, it called into question Ireland's traditional method of election – proportional representation – by contextualizing it with how the EP elections were due to be managed among the other eight member states. But other important factors

¹ Minister for Foreign Affairs addresses the Dail on 9 May 1973. [27 February 2014] http://debates.oireachtas.ie/dail/

were also debated such as attaining balanced regional as well as party representation. The ICEM had a considerable input into this campaign. As in the 1973 referendum campaign which secured membership for Ireland, that organization would co-ordinate closely with government departments in managing Ireland's information and publicity drive to promote the EP elections.² Analysing this debate among policy makers is significant. There is an effort to prioritize having a plan in place for EP elections due to initiate in June 1978.³ But it is particularly important that discussions circled around attaining adequate and balanced representation for Irish people in the European Parliament. The responsibility of building a fair system is apparent. It indicates the importance that policy-makers lent to the influence that the European Parliament had the potential of bearing in the Community institutions.

Historical Context

The single transferable vote (STV)⁴ and proportional representation (PR) system had important historical roots dating to Ireland's first independent elections in 1923. Indeed, plans to introduce this system pre-dated independence and a Royal Commission on Electoral Systems was established in 1910. There were three main reasons for its inclusion in the Free State Constitution namely: in Europe after WWI, PR was considered as a necessary concomitant of democracy; the campaign waged by the Irish branch of the PR society had been well advertised; to protect the representation of southern unionists in the senate and the adoption of STV for elections to the Dáil.⁵ But by 1959, that system had significant popular support particularly among smaller parties. Efforts to change it by referendum in 1959 failed.

Jack Lynch attempted to alter the electoral system by calling for a referendum to alter the third and fourth amendment to the Constitution Bills in 1969. The third authorising a tolerance of up to 16% of the national average in drawing up constituencies; and the Fourth (also attempted in 1959) abolishing STV and replacing it with the First Past the Post System (FPTP). The motivation on each occasion was to "increase the party's chances of forming a single-party, majority government. Despite the fact that by 1958 FF had been in power for "twenty-one of the previous

² Dermot Keogh, *Ireland and Europe 1919-1989* pp. 246-276. See also ICEM paper in UCDA as well as Neville Keerey papers in University College Cork.

³ Kirwan to Taoiseach on 27 July 1977, NAI DT 2007-116-404.

⁴ The STV, marked freely by the vote according to his order of preference between the candidates, irrespective of party. This vote could be transferred if the candidate was eliminated; or, as part of a surplus, if he was elected, provided that a lower preference was numbered on the ballot paper (if not it would be non-transferable). Cornelius O'Leary, *Irish Elections 1918-1977 Parties, Voters and Proportional Representation* (Palgrave Macmillan, 1979), p. 2.

⁵ Ibid., p. 14.

⁶ Ibid., p. 69.

twenty-seven years, it had only enjoyed an overall majority on four occasions." Lynch's referendum was defeated in October 1969.

There were also several attempts to amend constituency borders and, at times, expand the number of constituencies. In part those moves were justified due to the large expansion in population particularly in the Dublin area and were at the discretion of the Minister for Local Government. Gerry Boland, as FF Minister for Local Government, had adjusted constituency borders creating four new ones in November 1969. The opposition accused FF of introducing three-seater constituencies where they were strong and four-seaters where they were weak and called for an independent Commission to be established. But it is ironic that a similar strategy was employed by a FG-Labour coalition after its return to government in 1974. James Tully, Minister for Local Government, adjusted the number of candidates in key constituencies in Dublin and his home county of Meath and Louth hoping to help his party's proportion in the 1977 election. The plan backfired when FF gained a larger majority of the vote in the Dublin area and returned to government in 1977.

The failure of this scheme led to the creation of an independent boundary commission to supervise possible revisions to constituency boundaries. A clear link between these revisions and discussions regarding EP have yet to be located. However, this issue was particularly sensitive to political parties during this period. Plans for the establishment of EP constituencies were not immune to this. During the 1977 national election campaign and because of Tully's manoeuvres, FF proposed establishing an independent sub-committee into electoral reform. The latter was established in 1977 and plans for EP elections and constituencies were also investigated by that committee.

Each member of the Communities was allowed considerable flexibility in establishing its own EP electoral system. On the one hand, this was designed to facilitate nine member states with varying populations, constituency geographies, electoral systems and histories. But placing the establishment of that system in the hands of national politicians could also make it susceptible to corruption for political purposes. And in Ireland's case, Fianna Fáil suspected the latter of being orchestrated by FG and Labour. Within two months of forming a new government, an independent sub-committee began work on assessing electoral reform. But it is important to underline here the varying influences affecting Ireland's policy making in relation to the EP. While member states

⁷ David M. Farrell, Comparing Electoral Systems Contemporary (Hertfordshire, 1997), p. 115.

⁸ J. J. Lee *Ireland*, pp. 481-483.

⁹ Kirwan submits a report to Nally Secretary of DT on 12 January 1977 detailing plans among member states for EP elections. Issues to be resolved varied from one to the other including number of seats, dual mandate, date of elections, proportional representation or list system and regional distribution (particularly in the case of the UK and Belgium), NAI DT 2007/116/403. This flexibility is referred to again in Tully's note to the Taoiseach in May 1977. Kirwan refers to this letter in his note to the Taoiseach on 27 July 1977, NAI DT2007/116/404.

were given a certain amount of autonomy in formulating EP electoral systems, compromise was necessary on some aspects such as seat numbers and the dual mandate. These were discussed at the European Council meetings throughout 1976 and 1977 and Garret FitzGerald managed these negotiations. The government would change on 16th June 1977 and Michael O'Kennedy would take over as head of the Department of Foreign Affairs.

Debate with EEC partners

Ireland prioritized two important stances at the European Council. These positions can be traced by examining discussions at the Committee of Secretaries. It is significant that Ireland prioritized securing the initiation of elections instead of demanding more seats. As discussed above, agreement on EP and therefore a democratic mandate was key for progress within the Communities and this theme is highlighted among Ireland's policy-makers. ¹⁰ The horse-trading for EP seats as described briefly above was complicated by another factor which appears often in policy positioning papers, that is the allocation of EP seats to the UK and in particular to Northern Ireland. The latter will be examined in detail later in this chapter. It will firstly be necessary to outline the thinking and motivation among Irish policy makers and how that converted into action at the European Council.

Direct elections were discussed by representatives from governmental departments at the European Communities Committee on 7 July 1976. 11 The main outstanding problem was related to the composition of the Parliament but Paul Keating (Secretary of the DFA) suggested a solution using the British proposal as a basis. But it was important, as the British proposal provides, that some extra seats be given to Britain especially if, Keating underlined "we [Ireland] would wish, Northern Ireland were to get 3 rather than 2 seats". It was likely that the allocation of only two seats would return two unionist MEPs and the Catholic minority would remain unrepresented. But the British proposal was not acceptable to Ireland. The committee of Secretaries reasoned that Ireland "should seek to have it adjusted so that instead of taking 6 seats each away from the five smaller states, a sliding scale of reductions could be applied". If that did not work Keating reasoned, Ireland "should hold out for a minimum of 4% of the total seats and if at all possible we should not go below that figure". Maher (Assistant Secretary in Finance) outlined that "any reduction on Ireland's present proportionate level of representation in the European Parliament (5.05%) will provide presentational problems at home". Furthermore, the "central factor of any solution to this problem was for Britain to have enough seats to give 3 seats to Northern Ireland and for Ireland to get "enough seats to be able to present the outcome as acceptable at home". Noel Door (Assistant Secretary, DFA) pointed out that D'Estaing, Callaghan and Schmidt had met up recently and that

¹⁰ FitzGerald to Dáil in Dáil Debates 9 May 1973 [3 March 2011]

http://historical-debates.oireachtas.ie/D/0265/D.0265.197305090042.html

¹¹ Agreed Report of European Communities Committee 7 July 1976, NAI DT 2006/133/241.

they "may have done a deal on this matter". Ireland was somewhat fortunate so far in that "our particular demands had not become a central issue". However, there was the danger that Ireland's position might become "exposed and have to fight hard to achieve what we want". But the percentage sought was a 'safety net below which [the government] was most unwilling to go'. 12

It is important here to contextualize this issue in the longer term debate within the European Council particularly since April 1976. DFA correspondence as well as minutes from the Committee of the European Communities are important to understanding how Ireland interpreted and acted upon positions held by other member states in the European Council. The main sources of tension among member states included whether seats should be allotted purely in proportion to population. The latter would pose particular problems for small member states such as Ireland. Its population of under 4 million would be equivalent to a German Land. But at the same time, it represented one of the Nine and it was important for Ireland to have adequate representation in the EP especially if its powers were to increase. There were also concerns that member states would be limited in "deciding how they should hold direct elections." ¹⁴

Developments for direct elections should also be contextualised with two other issues which caused considerable agitation among smaller members states including Ireland. The US had called for the UK, Italy, France and Germany to attend a meeting in Puerto Rico and later in Rambouillet. Smaller members states including Ireland, Denmark and the Benelux had been excluded from these meetings. After considerable objections from these smaller states, it was agreed that the President of the Commission and Council should be present at future negotiations at the European Council meeting on 25 March 1977. The danger of under-representation was very much alive in debate among smaller member states as plans for EP elections progressed.¹⁵

Another issue that worried Irish officials in particular was the possibility of Greek accession. This was discussed at inter-departmental level. The possibility that grant transfers could be directed away from Ireland toward Greece was emphasised. This, as Ferriter underlines, was not exactly the most communautaire attitude to adopt. Dillon would later write that Ireland had been "described by the Greeks as being selfish and egostical in our approach to enlargment". But this attitude and concerns about fiscal ramifications for Ireland did not differ from policy making toward the Community since membership. And although Ireland emphasised its pro-communautaire stance on the one hand, its actions did not always reflect those 'convictions'. Enlargement was

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¹² Agreed Report of European Communities Committee on 7 July 1976, NAI DT 2006/133/241.

¹³ Notes from DFA concerning European Council Meeting on 1 and 2 of April 1976, NAI DFA 2006/131/1181.

¹⁴ Report sent to Kirwan. It appears to be sent after 26 May 1976 but there is no date on the report. It also appears to be from the UK Embassy but there is no signature. It refers to British Green Paper and debate in Whitehall concerning the EP elections, NAI DFA 2006/131/1181.

¹⁵ European Communities Committee Minutes in February and March 1977, NAI DFA 2008/148/243.

¹⁶ Ferriter, Ambiguous Republic, pp. 417-420.

¹⁷ European Communties Committee discussions on 17 June 1977, NAI DFA 2008/148/243.

perceived as shifting the balance of power within the Communities and could disadvantage smaller states. It would be important, in this context, to get and assure as many seats for Ireland as possible in the EP.

At the same time, the French government were also under considerable pressure from the Gaullist *Union des Democrates pour la Republique* (UDR) which demonstrated significant hostility to the scheme for direct elections to the EP and "its irritation at what it feels was the feeble handling of the monetary crisis leaves little doubt over feelings." Press reports were also supported by Irish ambassadorial correspondence to headquarters. The French and Irish positions were, according to Callaghan at opposite extremes. The French proposal, which hoped to reflect the population of member states "would cut drastically the representation of smaller states". The Irish government put forward a proposal designed to safeguard, as far as possible "the very favorable share of seats they secured in the treaty of accession."

But Fogarty's note to Heaslip in headquarters concerning a conversation with Lautenslager (Head of Economic Section at Foreign Ministry) is of particular significance. The latter was concerned with "the difficulties facing the French government on the direct elections issue, particularly Gaullist opposition" and thought that it might be "necessary to make some concessions to the French particularly on the question of pro-proportionality". Eirwan therefore advised FitzGerald to let it be known "before the European Council [due on 1st and 2nd of April] that we [Ireland] are prepared to go some way to meet the views of EP, this would put us on the side of the angels – even if we are unable to secure an appropriate contre-partie". He also advised "suggesting to our friends that they might propose offering us a *pourboire* in the shape of one or two extra seats (bringing our [Ireland's] members up to 14 or 15)". Ambassador Morrissey arranged an appointment with Professor Bringhorst in this connection on 31 March" 22

The issue of representation continued to dominate discussions at the European Council held from 1-3 April 1976. "One is the need of the smaller member states to ensure sufficient representation to enable their voice to be adequately heard in a directly elected Parliament. The other is the desire of the larger member states to ensure that the seats are allocated on the basis of a greater proportionality in relation to population than at present exists in the Parliament". ²³ The UK supported France's plans even more at the European Council meeting on 1st and 2nd of April 1976.

¹⁸ Article entitled "UDR attack on Giscard", Financial Times, 19 March 1976, NAI DFA 2006/131/1182.

¹⁹ Ambassador in Paris reports to DFA Secretary on 5 Feb 76 "French political parties divided on the question of direct elections to the EP. The division does not correspond to the presidential majority and the opposition. In favour are the independent Republicans, the Gaullists in Government, the Radicals in Government and in opposition and the Socialists. Opposed are the Communist party and the traditional Gaullists", NAI DFA 2006/131/1182.

²⁰ Gallagher's note concerning Callaghan's debate in Whitehall concerning the European Parliament. There is no exact date on this file but it appears to be May 1976, NAI DFA 2006/131/1182.

²¹ Fogarty to Heaslip on 19 March 1976, NAI DFA 2006/131/1182.

²² Kirwan to the Minister for Foreign Affairs on 19 March 1976, NAI DFA 2006/131/1182.

²³ Council of European Communities (Foreign Ministers) 29-30 June 1976, NAI DFA 2006/131/1182.

According to diplomatic reports, Callaghan was frankly more attracted to the proportionality concept which he felt was defendable and was most concerned about achieving proportionality particularly within the UK. He reasoned that "constituencies would be very large indeed and there would be inconsistencies as between countries". Callaghan instanced the contrast between NI and the Republic – NI would have one seat and the Republic, with half as many people, would have ten seats". There would be a similar contrast with Scotland and Denmark. He also emphasized that the UK would need enough seats for adequate representation of the constituent parts of the UK and the importance of a fair share of seats for both Wales and Scotland in particular". ²⁴ If the French proposal was not accepted, then Callaghan advised going back to the Patijn report figures.

But the proportion of seats for NI did not seem to concern Whitehall and this was noted in Irish reports emanating from Ireland's Embassy in London.²⁵ This is unusual considering the civil rights marches for adequate representation in NI throughout the 1970s. Two further points regarding the UK position were emphasised. The first was the "use of the word assembly [rather than parliament] throughout the papers". Britain was "concerned about securing sufficient seats to ensure that Scotland and Wales do [did] not appear to be under-represented in comparison with Ireland when the number and distribution of seats among the various member states is finally agreed".²⁶ The UK was also concerned that members states be allowed to decide individually how elections should be held.²⁷

At the following European Council meeting on 26 July 1976, FitzGerald pushed for further progress. While he understood the difficulties being experienced in the House of Commons, there were other member states which were already in a position to move forward. Furthermore, he stressed 'the importance of public reaction and urged not to prolong beyond September'. A series of proposals and discussions followed in July 1976. The UK proposed doubling the size of the Parliament with six less seats for the smaller member states. The latter would be added to the larger member state's allocation. Ireland strongly rejected this proposal because it would result in a share of 3.59% of the entire Parliament. But ultimately, Ireland was allocated fifteen seats at the European Parliament.

A couple of issues are noteworthy. Firstly, Ireland defended its right to have the same proportion of seats as it had in the original European Parliament. Other research outlines that Ireland's action in defending its interests did not appear particularly communautaire. At the same

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²⁴ Report sent to Kirwan. It appears to be sent after 26 May 1976 but there is no date on the report. It also appears to be from the UK Embassy but there is no signature. It refers to British Green Paper and debate in Whitehall concerning the EP elections, NAI DFA 2006/131/1181.

²⁵ Report sent to Kirwan from the UK Embassy, NAI DFA 2006/131/1181.

²⁶ Gallagher's note concerning Callaghan's debate in Whitehall concerning the European Parliament. There is no exact date on this file but it appears to be May 1976., NAI DFA 2006/131/1182.

²⁷ Ibid.

²⁸ For Kirwan in DFA from FitzGerald on 27 July 1976, NAI DFA 2006 2006/131/1181.

time, however, it compromised to some extent and did not hold up agreement amongst the Nine on the initiation of EP elections. ²⁹ He repeated the same strategy, as on previous occasions for example during ERDF negotiations, in pushing to attain as much as possible for Ireland. FitzGerald irritated Commissioner Thomson by taking too hard a line in ERDF negotiations. Hillery's memoirs and general papers have been significant in that context. They give the historian an important insight into Ireland's role within the Commission but also into how Ireland's policy-making was perceived and received in the Commission and among the other eight member states. Hillery left the European Commission in December 1976 to become Ireland's President. This rich source of information has been missed in later chapters of this dissertation.

In the end, Irish policy makers also recognised that the final arrangement went some way to satisfying its main objectives. Firstly, representation in proportion to population had not been accepted and secondly the final arrangement secured an additional seat in the EP for Northern Ireland. Furthermore, as had been pointed out by FitzGerald in 1973, it was in Ireland's long-term interests to support an evolution of the European Community towards a more democratic structure, involving a greater supranational element in the form of strengthening the powers of the European Parliament.

Establishing an Electoral System for EP in Ireland

Considerable analysis has revolved around the European Communities Committee particularly in the first four chapters of this dissertation. This latter was mainly composed of senior interdepartmental staff and was an important forum for information exchange and debate concerning Ireland's strategy in Europe. Furthermore, it appeared to carry significant weight in decision-making. It was also particularly productive. Indeed, the 'real debate' as to issues and strategies concerning the European Communities was fought out here between 1974-76 and common positions were presented by senior civil servants to the Cabinet. In an earlier section of this text those minutes have been used to understand the reasoning behind Ireland's policy formulation concerning ERDF between 1974 and 1976. The professionalism and level of detail is evident. But there is also a wider appreciation of developments within the European Communities, preserving the *acquis* and the importance of promoting Ireland's reputation abroad. However, its influence appears to have altered after 1977. The frequency of meetings wane as does the level and depth of debate.

But as the 1970s progressed and specific policy areas such as direct elections to the European Parliament, enlargement of the Communities, equal pay and the emergence of EMS grew, specialist subcommittees were formed. That information fed back into and was considered by the

 $^{^{\}rm 29}$ Martin Wall, 'Ireland and the European Economic Community 1973-1977', p. 153.

European Communities Committee and the Taoiseach's Office. This new structure facilitated detailed and technical debate in connection with equal pay. In the case of direct elections to the European Parliament for example, a thorough analysis of electoral systems was considered. Consequences that each of these electoral systems would have on Ireland were thoroughly analysed and helped inform the European Communities Committee and Taoiseach's Office in forming a position. However, it should be emphasised that this structure had two important consequences. These features will also be highlighted in relation to Ireland and EMS. In the case of EP, this debate took place among specific departments and James Tully, the Minister for Local Government, played a central role. This had also been the case concerning national general electoral reform. But by removing these technical discussions away from the European Communities Committee, wider perspectives especially Ireland's aspirations to strengthening its relations with the EEC were underemphasised.

In the case of EP, the report's outcome was based on circumstances related to national elections with "no attempt to consider the particular features of the European Parliament". 30 Another important consequence was that these sub-committees also dispersed information and added another layer which slowed the decision-making process. This is evident in relation to applications for cross-border funding with NI because Finance negates taking a position until after the ERDF committee reports in July 1976. This effectively delayed decision-making by several months.31

The Department of Local Government presented a draft memorandum to the Department of the Taoiseach in spring 1976. Kirwan and the ICEM made several observations on this report. 32 An earlier Joint Oireachtas Committee had suggested implementing a list system. But Local Government preferred to maintain the status quo. These reports were thrashed out over the next few weeks. Kirwan and the ICEM commented on which system would best fit the Irish context.³³

The ICEM surmised that "single member constituencies were advantageous when a small number of representatives have to be elected for the country as a whole". Therefore, it was desirable to keep "the constituencies relatively small and the members relatively close to the people". 34 But in Ireland's case there were other complicating factors namely the electorate had decisively disapproved simple plurality as recently as 1969. With single member constituencies whatever electoral system is adopted there is a danger of non-proportionate representation between the

³⁰ Kirwan to Nally on 16 June 1976 commenting on a memorandum concerning EP elections, NAI DT 2006/133/369.

³¹ Finance note 24 December 1975, NAI DFA 2006/131/1199.

³² Irish Coucil for the European Movement (ICEM) Report presented to DT on 24 March 1976, NAI DT 2006/133/369. Kirwan to Nally on 16 June 1976, NAI DT 2006/133/369.

³³ Joint Oireachtas Committee Report on EP elections, NAI DT 2006/133/369.

³⁴ Irish Council for the European Movement (ICEM) Report presented to DT on 24 March 1976, NAI DT 2006/133/369.

parties. That danger was acute where there were only 13-18 seats to be filled and support for the smaller parties was not highly localized. The report summarized that FF would be at a considerable advantage to less numerous parties such as FG and especially Labour. But reducing the Labour share would "not only be clearly and unwisely inequitable but it would remove any Irish voice from the largest and most powerful group in the Parliament, namely the Socialists." The Dutch list system for the whole country was also outlined to be disadvantageous. But it is important to consider Ireland's historical past as outlined earlier in this chapter. There had been considerable attempts to adapt national electoral systems but these had been rejected on a number of occasions. Proportional representation, which was familiar to the electorate since independence, was favoured.

Regional balance was also very important. It essentially recommended single transferable voting (STV) based on a limited system of regional constituencies. It suggested that the list system, proposed by the Joint Oireachtas Committee did not "allow the individual to rank candidates within a particular party and prevents cross-voting". At the same time, the list system was more likely when a uniform procedure is chosen within the Community." However, "experience to date and the strength and nature of British reservations indicate that it may well take an extended period to secure such agreement, whatever it says in the act adopted last year." Furthermore, Tully had noted to the Taoiseach that the right of individual member states

"to decide on the franchise is [was] not in question, from the outset it was [had been] appreciated that member states would take different lines on this question leading to some anomalies, and it was [had been] for this reason that article 8 was written into the Community document; there is no immediate prospect of getting member states to agree on a common approach." 35

But despite set-backs at the European Council, Tully expressed concern about resolving and setting plans for EP elections in place at the national level before the next general election and emphasised that a "decision should be taken on the memo as soon as possible". The bill, he explained, "will provide for a complete (and almost self-contained) electoral system and will run to many sections. Regulations will have to be made under the Bill (when enacted) and a host of administrative problems attended to". It is unclear why the actual bill was not prioritized over the next eight months. The FG-Labour coalition called a general election in June 1977 before a definite system for election of EP members was in place.

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³⁵ Kirwan refers to this letter in his note to the Taoiseach on 27 July 1977, NAI DT 2007/116/404.

³⁶ Tully writes to the Taoiseach on 1 October 1976, NAI DT 2006/133/375.

³⁷Ibid.

It is clear that there was an awareness among departmental staff as to the various electoral systems used all over Europe. ³⁸ However, it does not appear that Tully seriously considered introducing the list system for EP elections. Instead, he favored a combination of STV and the list system. Examining the advantages of these electoral systems can be advantageous to helping highlight government decision-making in relation to the EP. While STV tends to help protect the representation of smaller political parties, there is a trade off in the use of STV. The constituency needs to be "large enough to produce as proportional a result as possible (i.e. to give candidates from all parties a fair chance), but it must not be so large that it makes voter jobs of choosing between candidates impossible". ³⁹ As the size of constituencies increases, so do the prospects for a proportional result. The ideal situation is one where the entire nation is one constituency such as the list system in operation in The Netherlands. ⁴⁰

Tully's motivations for this proposal are unclear and more research in the Department of Local Government papers is required. However, a few remarks can be outlined. He could have suggested promoting the list system in its entirety as suggested by the earlier Joint Oireachtais report. However, breaking the system into four constituencies would place members from smaller parties in a better position of winning EP seats. Additionally, historical precedence and the 1959 and 1969 referendums had indicated significant attachment to STV among the Irish electorate. But he could have also feared that adopting a completely new list system could set a precedent and spark electoral reform in national elections. FF had attempted to introduce the FPTP system in 1969. As discussed above, this would have disadvantaged smaller parties. ⁴¹ Tully's own labour party could have lost out substantially if this system were to become established.

Change of Government

A general election in June 1977 returned FF to power. This had serious repercussions for Ireland's membership of the EEC. In particular, Michael O'Kennedy took over from Garret FitzGerald as Minister for Foreign Affairs. It is difficult, for the historian, to methodologically assess how much influence an individual as a Minister can have on a department. However, archival research concerning Ireland's relations with the EEC between 1973 and 1979 has led to a couple of important conclusions. The scale and energy of FitzGerald in his post as MFA is remarkable and evident from both DFA and DT documentation. Those papers were often extremely detailed and

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³⁸ Note prepared by the DFA entitled "Direct Elections to the European Parliament" dated July 1976. This note outlines the various positions and proposed electoral EP systems outlined in the eight other member states, NAI DT 2006/133/240.

³⁹ David M Farrell, *Comparing Electoral Systems* (Hertfordshire, 1997), p. 128.

⁴⁰ Ibid., p. 68.

⁴¹ This publication argues that electoral systems have a direct influence on representation and can have a considerable effect on the chances of small party representation. Lawrence Erow, *Linking Citizens and Parties How Electoral Systems Matter for Political Representation* (Oxford, 2010).

academic. The fluidity of communication between the DFA and DT should also be remarked upon particularly leading to Summit and Council meetings. While the Taoiseach initially tended to be closer to Finance, that waned as the Presidency approached and the DFA asserted itself as gatekeeper of European Affairs. FitzGerald's training as an economist is evident in this correspondence and indeed his expertise, at times, had an edge over that of Richie Ryan. Correspondence in relation to equal pay, for example, has been cited in the previous chapter. But as well as being academically prepared and talented, FitzGerald had numerous contacts with Europe having worked with the ICEM and Aer Lingus in the 1960s. Similarly, he was extremely familiar with both the history of European integration and the functioning of the Communities and had taught these topics for several years at University College Dublin. 42 The appointment was also fortunate due to its timing because he took over an expanding department. Accession to the EEC enabled FitzGerald to shape Ireland's foreign policy within the EEC. Not having served in government before, he came to the portfolio from the private sector with no fixed preconceptions. Indeed, the Conference of Ambassadors in 1973 was a precedent and would not have been allowed ordinarily due to its significant cost. FitzGerald's assets were complimented even further by an exhuberent and energetic personality which attracted remarks.⁴³

Michael O'Kennedy took over the department as Minister for Foreign Affairs in 1977 under Jack Lynch as Taoiseach. Lynch's choice of O'Kennedy for this portfolio appears puzzling for a number of reasons. Firstly, his background was steeped in national politics and he had relatively little administrative experience to be promoted to one of the biggest government departments. He initially served in the Seanad Eireann from 1965 winning a seat in the Dáil from 1969. He became parliamentary secretary to the Minister for Education in 1970 and took over as Minister for Transport and Power from January until March 1973 when FF were replaced by the coalition government. Lynch had led Ireland's efforts for membership of the EEC and had chosen Hillery for this portfolio (then Minister for External Affairs) from 1969. Unlike O'Kennedy, Hillery had strong administrative experience – having been Minister for Education (1963-65) and Minister for Industry and Commerce (1965-69). He had also established significant relationships with his European counterparts abroad during Ireland's efforts to gain accession to the EEC. But Lynch's choice becomes even more incomprehensible when one considers O'Kennedy's co-operation with a hardline policy document regarding Northern Ireland in 1975 which called for a withdrawal of the British government from Northern Ireland. This was at odds with FF's previous party policy concerning NI. That decision had channelled EEC affairs through the DFA and away from Finance. Anglo-Irish relations concerning NI were managed through the Department of the Taoiseach with a

⁴² Garret FitzGerald, All in a Life, p. 110.

⁴³ American Source State dept Sources on line. US Embassy in Dublin reports on Irish Presidency in July 1975. [10 February 2014] http://aad.archives.gov/aad/createpdf?rid=126485&dt=1822&dl=823

small and limited NI section in the DFA. The latter would maintain Irish relations concerning the EEC and Anglo-Irish relations concerning NI quite separate. By appointing Michael O'Kennedy as MFA appeared to unfasten earlier efforts to extract NI from, or at least contain NI, in the DFA. It is unclear why Lynch placed O'Kennedy in this portfolio. It may have been an effort to placate him from seeking leadership of the party. At this stage, Lynch's leadership of FF was already under threat and Haughey would take over as leader in 1979.

Analysing official documentation reveals a number of changes to the style of departmental management between FitzGerald and O'Kennedy. Firstly, the new Minister was less hands on and there is considerably less internal direct communication between him and his Ambassadors. Indeed, the secretaries of the department appear to have taken over this role. The latter is mirrored in contacts between the DFA and DT where there is significantly less direct communication between the Minister and the Taoiseach particularly relating to EEC affairs.

It is difficult to decipher the effects that this change in stewardship had for staff in the DFA. The energy, enthusiasm and interest in Europe that FitzGerald exuded would be difficult to replace. That absence would leave a considerable gap. An effort to prove itself and become pro-active within the Communities has been referred to in FitzGerald's earlier correspondence. Those objectives had become ingrained among staff. However, officials had a different level of political backing regarding EEC affairs. That would become evident later on during EMS negotiations.

Sylvester Barratt was given the portfolio of Local Government in June 1977 and he took on the responsibility for finalizing the system of voting for EP elections. General electoral reform within Ireland as well as rivalries between parties have been contextualized above. It has also been underlined that the solution for EP would also be affected by that wider domestic situation. Kirwan's note is significant because it deals specifically with electoral reform but also the upcoming EP elections. He warned that there wouldn't be enough time for legislation to set up an independent electoral commission as envisaged in the FF election manifesto and he suggested setting up an ad-hoc commission to recommend a scheme of assembly constituencies. He advised establishing an independent commission of supreme court judges to which the political parties could make submissions. It was perceived as vital that the Irish have an EP electoral system in place in good time for the elections due in June 1978.⁴⁴

The difficulty was not the method of election. The single transferable vote was broadly accepted by all parties. The difficulty arose, as had occurred on several occasions for national elections, in the demarcation of constituencies. Some smaller parties, such as Labour, "considered that the system would be equally suitable in a single national constituency or regional

⁴⁴ Kirwan writes to the new Minister concerning EP elections and electoral reform on 27 July 1977, NAI DT 2007/116/404.

constituencies but having regard to the comparatively small number to be elected, they favoured a single national constituency." Furthermore the Labour party claimed that "multiple constituencies, no matter how carefully designed, could only be established at the expense of proportionality". ⁴⁵ That Committee's terms of reference would be "to advise and report on the formation of the constituencies for elections to the Assembly of the European Communities". It reported in October 1977 and included Justice Brian Walsh (Supreme Court and President of the Law Reform Commission), GA Meagher Secretary of the Department of the Environment, JR Tobin Clerk of the Seanad and T Sexton from the Department of the Environment. ⁴⁶ Those recommendations were accepted by the government in October 1977 splitting the constituencies in four between Dublin (3 Members of Parliament), Leinster (3 MEP), Munster (5 MEP) and Connaught-Ulster (3 MEP). ⁴⁷ The first direct elections to the European Parliament began in June 1979.

Conclusion

Establishing a formula for direct elections to the European Parliament was considerably contentious. A couple of important issues dominated discussions in the European Council. "One is the need of the smaller member states to ensure sufficient representation to enable their voice to be adequately heard in a directly elected Parliament. The other is the desire of the larger member states to ensure that the seats are allocated on the basis of a greater proportionality in relation to population than at present exists in the Parliament". Several formulae were proposed during this period. Minutes from the European Council meeting 1-3 April 1976 highlight differences of opinion among the Nine. Earlier sections of this dissertation have emphasized how institutional memory had trained senior civil servants about the importance of the *acquis*. While, at times, some strategic interests were defended, it was also important to demonstrate Ireland's willingness to co-operate and meet its European partners half way on certain issues. The DFA pushed to attain as many seats as possible for Ireland but it prioritised making progress on establishing direct elections and accepted its share of seats. But that commitment to the overall objectives toward progress within the EEC is not always reflected amongst internal government departments.

That issue was particularly sensitive at this time in Ireland because electoral reform had been attempted but had been rejected by the Irish electorate in 1969. This was further complicated by the fact that it was initially managed by the coalition government but the final stages were prepared after a general election in which FF won the majority in June 1977. Garret FitzGerald

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⁴⁵ Article entitled 'Labour proposal for EEC Direct Elections', *Irish Press*, 29 July 1976, NAI DFA 2006/131/1180.

⁴⁶ Kirwan to the Taoiseach on 4 July 1977, NAI DT 2007/116/404.

⁴⁷ Taoiseach's Office announces that the recommendations have been approved by the government on 6 October 1977, NAI DT 2007//116/404.

⁴⁸ Council of European Communities (Foreign Ministers) 29-30 June 1976, NAI DFA 2006/131/1180.

joined the opposition benches and Michael O'Kennedy became Minister for Foreign Affairs. This shift, it is argued, would have a considerable impact on Ireland's future relations with the EEC.

Other chapters have emphasised the administration's resistence to change or adaptation. The 'one region' approach to ERDF, for example, has been highlighted. Finance didn't appear willing to look beyond traditional models and it seemed focused on the national context. There were several examples of different regional programmes among the other eight member states. But Finance did not have a monopoly on that hesitance. The Government Committee, for example, suggested the list system but this was rejected by the Department of Local Government. Political and historical contexts have been underlined as having an important impact on these developments. However, the same department was criticised by Kirwan in the Taoiseach's Office as not considering the actual workings of the EP. After all, the EP's remit was very different to that of the national parliament. Even traditional issues such as taxes which often appeared in election manifestos were absent. And, therefore, direct elections to the EP were an unknown quantity. This is portrayed in discussions with the ICEM which highlighted considerable concern for the possibility of a low turnout of voters. It is significant therefore that Local Government didn't analyse this more closely. The national context dominated the Department of Local Government's report. While the DFA emphasised Ireland's commitment to the establishment of the EP, internal departments did not appear to grasp what exactly this would entail. They remained quite insular in their approach.

But studying the way Ireland handled and planned for EP elections serves as an important example of where specialist policy in relation to Ireland's adaptation after membership was increasingly considered separately to the European Communities Committee. This meant that preparation for the EP was discussed primarily among a small group of officials and not interdepartmentally. In the past, the European Communities Committee had provided not only an important forum for debate among senior officials but also for information transfer. This is particularly the case in the first two years of membership. The DFA brought the intelligence collected from embassies and the Commission directly to the table as well as significant institutional memory concerning Ireland's general relations with the EEC. But this adaptation and the emergence of more numerous specialist committees meant that this input and interdepartmental debate was less present in policy formulation.

National political concerns also played their part in establishing the final solution. The list system was rejected despite earlier recommendations. However, creating a list system had the potential of setting an important precedent. This could with time flow over into national elections. After all, FF had tried to introduce a FPTP system in 1969. That eventuality would place smaller parties such as Labour at a disadvantage in future elections.

Chapter VIII

Ireland's Decision and Motivation for Participating in EMS 1977-1979

Introduction

This chapter seeks to trace Ireland's motivation and decision for joining EMS in the late 1970s. It contests the notion that Ireland's enthusiasm was primarily *communautaire*. Its position varied considerably from 1977 until 1979. While initially sceptical, it began to turn more and more toward EMS in the autumn of 1978 and confirmed its participation in December 1978. Those changes provide rich archival material for analysing the evolution of Ireland's relations with the Communities.

This chapter demonstrates that this decision was heavily influenced by the UK's position. The UK-traditionally Ireland's largest export market—was unlikely to join EMS and this troubled Irish policy makers considerably. This situation was complicated even further by the fact that the Irish government changed in June 1977 and significant shifts occurred within and amongst departments. Finance and the Taoiseach's departments led these negotiations and the DFA was considerably side-lined in this decision-making process.

The Irish government made fiscal calculations and detailed studies were commissioned as to whether to remain linked with the UK or join EMS. Deterioration in Anglo-Irish relations as well as an offer of transfer funds from the EEC helped clarify Ireland's position and it decided to join EMS in late 1978.

Ireland's Economic Policy 1976-9 and shifts in administration of EEC Affairs

Ireland's significant dependence on the UK, as its main export market, has been emphasized and detailed in earlier chapters. However, "the Irish economy had been placed in a one-to-one parity with the pound sterling since 1826" and even after independence in 1922, there had been little serious question as to wether the British currency should continue to be the legal tender for Ireland.³ And more recently, the Irish punt had floated with sterling at the breakdown of the Bretton Woods System in 1971. But growing discontent emerged concerning sterling parity in the 1970s. The problem was that the latter had lost the one "absolutely essential attribute of an anchor currency: a low inflation rate". And, therefore, when an alternative anchor in "the form of EMS appeared, it was eagerly grasped". Senior economists at the Irish Central Bank argued that adherence to a

¹ J.J. Lee also contest this notion and writes that one of the main reasons for Ireland's decision to join EMS was the availability of 'cheap cash'. Lee *Ireland*, pp. 492-3.

² FitzGerald criticises EMS in January 1966. Emmanuel Mourlon-Druol, *The Emergence*, p. 111.

³ Keatinge, *EEC Membership*, p. 76.

⁴ Dermot McAleese, 'Twenty-Five Years 'A Growing' in 'Rory O'Donnell (ed.) Europe: The Irish Experience, p. 98.

harder currency regime than the sterling link could be a "powerful weapon against inflation".⁵ It was difficult to know how sterling and EMS would move relative to each other. Ironically, the EMS anchor also proved defective and, while the UK got its inflation under control, Ireland's inflation rose leading to significant fiscal difficulties initially between 1979 and 1981.⁶

However, the question of breaking the link with sterling did not attract much political attention until the mid-1970s. The option arose in mid 1977. And while some officials were keen on a stronger exchange rate regime, they feared that a Deutsch Mark-peg (DM) would be damagingly over-demanding for Irish industry. There were also concerns that a split from the UK would also help bolster the permanence of the contested Northern Irish border. However, in 1972 and 1973 sterling depreciated significantly against the DM. Again in 1975 and 1976 sterling depreciated once more against both the US Dollar and the DM. These trends led officials to question whether "the currency link, that had been the epitome of financial strength, no longer provided financial stability". After all, as outlined in the first chapter, a closer link with the UK as provided in the 1965 Anglo Irish Free Trade Agreement had ironically provided the stability which the Irish government needed in order to pursue its road toward membership in the early 1970s. But AIFTA also demonstrated a maturity in financial thinking which broke with earlier nationalist policy which advocated distancing itself from its largest export market. However, Murphy and Honohan point out that a number of other factors conspired to encourage a mood for change amongst Irish policymakers. While the UK remained Ireland's most important trading partner, its dependence on the UK market had declined substantially between 1960-78. Murphy and Honohan quotes that between 1960 and 1978 the share of exports from Ireland to the UK had dropped from 75% to 47% while exports to the EEC had increased from 5% to 30%. ¹⁰ But by 1976, the Department of Finance was studying "three alternative exchange rate regimes: floating the pound, joining the snake or adopting a trade-weighted exchange rate objective". And despite "a mood for change", officials felt the time was not yet ripe and the Irish economy was not yet strong enough to support a change in exchange rate regime. 11

There was significant change in Ireland's strategic economic policy after FF was returned to power in a general election in June 1977. Firstly, Lynch relied heavily on Professor Martin O'Donoghue, Professor for Economics at Trinity College Dulbin, as his main economic advisor.

⁵ Patrick Keatinge *EEC Membership* (1991), p. 78

⁶ Rory O'Donnell, 'Monetary Policy' in Patrick Keatinge, *Membership Evaluated*, pp. 77-78 and Dermot MacAleese, 'Twenty-Five' in Rory O'Donnell (ed), *Europe: the Irish Experience*, p. 98.

⁷ Breslin in the IDA's view on EMS, 20 July 1978, Department of Finnace files (F), NAI F 1/19/78 part 1

⁸ Patrick Honohan and Gavin Murphy, 'Breaking the Sterling Link: Ireland's decision to enter the EMS', *Institute for International Integration Studies Discussion Papers*, No. 317, (February 2010), p. 4.

⁹ FitzGerald, From Protectionism to Liberalisation, pp. 237-291.

¹⁰ Patrick Honohan and Gavin Murphy, 'Breaking', p. 4.

¹¹Ibid., pp. 5-6.

Furthermore, he created a new Department of Economic Development and Planning on his first day in the Dáil in June 1977. It appeared that Lynch wanted to bring in fresh ideas and focus more strongly on strategic economic planning. He may have formed a negative impression of Finance during his former term in government. Similarly, he may have been emulating earlier FF policy in the early 1960s under Sean Lemass that channelled considerable resources into strategic economic planning. However, creating a parallel government department produced more difficulties than results. The strength and influence of this Department of Finance within the overall administration has been emphasized above and therefore if "strategic thinking is to be given any weight it must be undertaken under the aegis of Finance" and that creating a new department effectively added "fresh administrative rivalries and exacerbated jealousies" among civil servants. 12 It is surprising, therefore, that Lynch adopted this course particularly because similar rivalries had been encountered, under his leadership, in 1971-2 between the Department of Finance and Foreign Affairs after the latter's significant expansion and nomination as gatekeeper for European Affairs. Furthermore, creating a new department also dispersed decision-making, expertise and institutional memory concerning Ireland's future economic strategy among ministries rather than channelling it. But this new department would also have important repercussions for dynamics among ministries and therefore within the European Communities Committee. Finance became increasingly territorial and took the lead on EMS. The Committee's input was significantly reduced on this issue and this had consequences for how DT and Finance approached and steered Ireland's economic policy toward the Communities. These shifts will be explored in more detail later in this text.

Although O'Donoghue managed to diagnose problems in the Irish economy accurately, his strategy failed. It was based on the German social market which used "as much competition as possible and as much planning as necessary". ¹³ The package of tax cuts and reforms was introduced in the 1978 budget included: abolition of rates on housing, abolition of the wealth tax, and a reform of social welfare to be based on pay-related contributions. ¹⁴ But tax cuts, as promised during FF's election campaign, were costly and included "non-productive giveaways" such as the abolition of local housing rates and car tax. It marked an important juncture in Irish politics, according to Dermot Keogh, which became known as auction politics or 'buying off' certain sections of the electorate in order to get elected. ¹⁵ Lee surmises that O'Donoghue's strategy miscalculated, in particular, on two counts. Firstly, while substantial inflation was experienced in Europe during this period, the Irish continued to pay their population more than they were actually earning. Promises to maintain wages and increase employment during Fianna Fáil's 1977 electoral campaign made it

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¹² J. J. Lee, *Ireland*, p. 487.

¹³ Martin O'Donoghue, 'Irish Economic Policy, 1977-9' Studies, Vol. 79, (1990), p. 313.

¹⁴ Dermot Keogh, *Jack Lynch*, p. 409.

¹⁵ Ibid., p. 410.

difficult to negotiate with trade unions after they were returned to government. By 1978 real incomes in agriculture had doubled compared with 1970.¹⁶ Industrial wages lagged relatively behind and inflation remained high and difficult to control. Furthermore, according to Lee, O'Donoghue over-estimated Irish entrepreneurs' willingness to invest and expand particularly at a time of high inflation. These, combined with international economic trends as well as the 1979 oil crisis, had serious effects on a small economy such as Ireland.

But while tax reductions, such as the abolition of rates, appeared to bestow short-term popular gains by making home ownership cheaper, these would have serious implications in the long term. An earlier chapter has emphasized the effects ERDF funding had on the development of local government. In essence, the administration of the latter facilitated the increased centralization of funds and management of projects in central government in Dublin from 1976. But the demise of local government was copper-fastened by the abolition of local rates. These had essentially directly funded local government. From 1978, it would have to rely on the Department of Finance for its budget. The latter, as this dissertation has demonstrated in earlier chapters, was not renowned for its generosity! But the consequences were not only financial but had other repercussions. By undercutting its budget, this action essentially removed the power of management and more particularly initiative from local government. While local government in Spain, for example, strengthened after accession in the 1980s, its influence over local decision-making declined substantially in Ireland. It was in this political and economic national context that the Irish government decided to join the European Monetary System in late 1978.

Ireland and Monetary Co-operation in the EEC

Schmidt and Giscard's proposal to establish a zone of monetary stability for all EEC members at the Copenhagen Council 7-8 April 1978 has been well documented in publications concerning the history of European Integration. Motivated by a French desire to rejoin the snake and a German one to protect the competitiveness of its industry, the zone was projected to be more flexible than the snake and involved a pooling of assets of up to 20% of member countries' official resources.¹⁷

Lynch expressed agreement in principal to these proposals and sought advice from the Department of Finance on his return to Dublin. There was a "sense of frustration" on the part of Finance officials with sterling's instability and most importantly its inability to act independently under a fixed regime. This research however underlines that, at this point, no break with sterling was envisaged. Furthermore, initial correspondence also indicates anxiety amongst Irish politicians

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¹⁶ J.J. Lee, *Ireland*, p. 474.

¹⁷ Eric Bussiere, Michel Dumoulin and Sylvain Schirmann, 'The Development of Economic Integration' in Wilfried Loth, *Experiencing Europe*, p. 61.

¹⁸ Honohan and Murphy, 'Breaking', p. 8.

that "Ireland would be a persistent deficit country struggling to cope with externally-imposed disciplines". 19

In recent research concerning EMS, it has been highlighted that in contrast with the UK and despite several economic uncertainties the Italian and Irish governments demonstrated strong political commitment to the European Monetary System by autumn 1978.²⁰ But empirical research, as quoted above, contrasts with Ireland's reaction to earlier EEC initiatives. It is ironic that civil servants were anxious about going from the imposition of one fixed rate with the UK to another. But this did not tally with earlier rhetoric, as outlined in the second chapter, which envisaged steps involving moves away from the UK toward closer relations with the EEC in positive terms. This situation provoked considerable soul searching over 1978.

The decision to adhere to the European Monetary System was thoroughly examined between the Department of Finance and the Department of the Taoiseach between 1977-78. Interestingly, the DFA was sidelined to a large extent. Similarly, while the new Department of Development and Planning was involved in discussions regarding EMS, policy positioning was mainly concentrated between Finance and the Taoiseach's office. This intensified as the decision to join EMS or not got closer. It is surprising that O'Donoghue's department did not have more input but, a year after its formation, the latter may have already lost substantial influence. Firstly, as discussed above, O'Donoghue's economic advice was not bearing fruit and secondly Finance's experience of EEC affairs heavily outweighed that offered by the latter. Despite these factors, it is puzzling that a department created for the task of strategically steering Ireland's economy forward was not involved more extensively particularly concerning Ireland's adhesion to EMS – a step potentially critical to that future. It has not been possible to fully examine relations between these three departments Taoiseach, Finance and Economic Development and Planning. Instead, this research has focused on Ireland's management of EEC Affairs. The European Communities Committee has provided an important context in which to analyse positions taken by departments on specific subjects and how that debate influenced Ireland's policy making towards the Communities. However, in the case of EMS this research has been concentrated more and more on correspondence specifically between Finance and Taoiseach. These specific departmental files have provided better insights. This marks an important contrast with previous research regarding Ireland's management of membership. It has been outlined that by 1976, the DFA had greater control over information flow and a greater input into decision-making regarding EEC affairs. However, this was not the case regarding EMS. The DFA became less involved in that decsionmaking process. This will be shown to have had significant consequences for Ireland's management

¹⁹ Ibid., p. 9.

²⁰ Emmanuel Mourlon-Druol, 'The Emergence', p. 322.

of and interaction with the Communities regarding EMS. But why didn't the DFA resist this step back?

Several factors added to creating this situation. The government changed in June 1977 and FitzGerald joined the opposition benches. It has been mentioned in a previous chapter that it is difficult to calibrate how much influence an individual minister can have on a department. However, the volume of correspondence indicates that FitzGerald had his finger in almost every pie even somewhat related to EEC affairs; technical aspects of ERDF and equal pay are examples. But he had worked hard to establish his department as gatekeeper for European Affairs. He was very aware of the importance of building these patterns and setting these precedents within Ireland's national administration. And while officials remained within the department and attempted to promote its position, political will for asserting its position seemed to waver. FitzGerald's skill as an economist could have provided a considerable and informed counter-weight against Finance concerning EMS. He tried to influence developments from the opposition benches. Ireland's new Minister for Foreign Affairs, Michael O'Kennedy, had a very different backgound to FitzGerald. British reports actually cited that he was overwhelmingly 'focused on the national context'.

The wisdom of and way in which the new government created a whole new Department of Economic Development and Planning has already been mentioned. Sensitivity and territorial issues between departments especially Finance and DFA relating to the management of European Affairs has also been discussed earlier in this dissertation. But the establishment of this new department shifted a delicate 'equilibrium' within the Cabinet and amongst Irish officials.

Finance issued a circular 2/77 entitled "Financial and Economic Aspects of Ireland's Membership of the EEC". This document has not been located and no date is specified. It is referred to in DFA correspondence which essentially complains about its content. Notwithstanding its title, reported content is significant.²¹ It essentially outlined Finance's role as central co-ordinator of this aspect of membership and was reportedly sent from Finance directly to the Taoiseach's Office. This document is important because it re-asserted Finance's position from the very beginning of membership as co-ordinator of preparatory work for negotiations in Dublin.²² Its role had diminished as membership evolved but it remained keen to hold a firm grip on economic and financial affairs concerning membership. Indeed, that determination came forcibly through and has been emphasised in this research regarding Ireland's management of ERDF as well as equal pay. It is difficult to say whether the establishment of Economic Development and Planning motivated this publication because there is no date detailed. However, it would appear from MacDonagh's letter on 29 July that Finance's report had been relatively recently forwarded to the Taoiseach. It

 $^{^{21}}$ Referred to by MacDonagh on 29 July 1977, NAI DFA 2008/148/243. 22 John Walsh, $\it Hillery, p. 300.$

communicates a sense of urgency. Although lobbying between Finance and the Taoiseach's Office could have pre-dated that publication.

No matter what its motivation, its content and method of communication is revealing. Firstly, the original document had not been sent to the DFA. MacDonagh, the Secretary of the Department in the DFA, responded by copying the Taoiseach, Agriculture and Industry and Commerce and criticised Finance's strategy. He underlined that all departments should be involved in discussions of this kind and furthermore that

the administrative arrangements for implementing the control of expenditure in a purely domestic sphere may not always be, nor should they necessarily be the most appropriate instruments of control in a community context.²³

MacDonagh emphasised inadvertedly here a theme which had appeared many times since accession. If domestic departments managed EEC affairs directly, an important perspective could be underemphasised or even lost. He highlighted the importance of having a joint approach towards EEC affairs and of including DFA expertise in decision-making regarding the EEC. And while the DFA would continue to provide intelligence from its embassies regarding EMS, overall decision-making on strategy as such was managed by the Taoiseach and Finance. DFA input was less direct. It is ironic and will be elaborated on later that DT and Finance would run into some difficulties in bilateral relations with other member-states later in 1978. DFA expertise and experience may have helped steer Irish officials away from making such mistakes.

But MacDonagh's memo did not appear to have been taken seriously because debate seemed to waver and disappear soon after this. As mentioned above, it is likely that FitzGerald would have given more weight than Michael O'Kennedy and Jack Lynch to this issue. His history and actions in office would certainly indicate so. He had worked to assert and defend the DFA's role as gatekeeper of EEC affairs. And although he did not always succeed in convincing or winning over Cosgrave, he made himself heard and fought back especially on procedural issues. New to government in 1977, Lynch may not have understood the importance of this precedent. However, this is unlikely because he was an experienced administrator, having led several government departments, and having had actually given overall responsibility for European Affairs to Hillery as Minister for Foreign Affairs in 1970. But he had also effectively split national preparation for membership at home and actual negotiations between two Finance and Foreign Affairs. Perhaps, this, was his preferred model. At the same time, however, guaranteeing Finance this portfolio could have been a way of appeasing the department after the establishment of Economic Development and Planning.

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²³ MacDonagh to Finance and copied to Taoiseach, Agriculture and Industry and Commerce on 29 July 1977, NAI DFA 2008/148/243.

But it is also possible that both Finance and the Taoiseach's Office perceived the decision to join EMS or not as a purely national issue. Earlier correspondence in 1977 lays a great emphasis on Ireland's position as being dependant on how the UK proceeded. Anglo-Irish relations and issues concerning NI were handled by the Taoiseach's Office. This changes as debate progresses. But, initially, it may have been envisaged by officials that experts in financial and economic issues as well as Anglo-Irish affairs were most needed. But if this was the case, it also indicated considerable reluctance to seriously consider EMS without the UK. This could be interpreted as indicating a mentality-also present in Finance's approach to ERDF and insistence on the 'one region policy'that did not welcome change.

The European Communities Committee's influence waned in this period. These observations would be supported by its Committee minutes in February 1977 which discussed how it could 'raise its profile' and the importance of a positive and contributory attitude. But no solution or plan of action is raised to ameliorate this.²⁴

These early decisions about how best to manage Ireland and EMS had a significant bearing on how this subject has been researched. While in previous chapters the European Communities Committee provided an important context where policy formulation is analysed, this is less so regarding EMS. And therefore, Taoiseach, Finance and DFA files have been surveyed to a greater extent. Findings in the European Communities Committee series have been less helpful.

Ireland's willingness to join EMS in terms of its commitment to the political future of the Communities is excluded from internal correspondence between Finance and the Taoiseach's department. The financial implications of various scenarios, resulting from the establishment of EMS, were calculated meticulously. But political repercussions for the EEC in terms of the acquis communautaire are excluded. Instead, consequences for Irish exports to the UK, Irish relations with Northern Ireland and parity with the pound dominated discussions.²⁵ There is also substantial correspondence and there were meetings with the British concerning EMS during this period. Indeed, initially, meetings with the UK were prioritized. While Ireland's membership of the Communities was associated with de-Anglicisation, empirical files indicate that British action considerably influenced Irish decision-making until autumn 1978. But communication with the UK detiorated in August-September 1978 and officials were concerned at 'being left out in the cold'. This had happened to Ireland in 1959 concerning EFTA and again in 1961 regarding Ireland's first application to the Communities. On those occasions, they had hoped to formulate policy toward EFTA and the European Communities in consultation with the UK. But Ireland was ignored and officials were frustrated at their lack of control and influence.

European Communities Committee 20 February 1977, NAI DT 2008/148/244.
 Discussion between the UK and Ireland 28 September 1978, NAI DT 2008/148/651.

Another development effected Ireland's orientation by early autumn 1978. The EEC was now offering the possibility of transfer funds to help with transition to EMS. This attracted Irish officials greatly and they began to turn their attention more and more to the possibility of joining EMS without the UK. The European Communities Committee recommended a tour of the Six. The DFA did not participate in this tour which was conducted by Jack Lynch and his Minister for Finance, George Colley. This move was an attempt to essentially catch up for lost time in lobbying the other eight member states.²⁶

Garret FitzGerald, former Minister for Foreign Affairs and new opposition leader of Fine Gael, summarized the FF government's relations with the Nine as "fumbling, failing to diagnose or tackle the real problems and losing opportunities in the negotiation". ²⁷ But FitzGerald also pointed out the lack of official government documentation concerning Ireland and EMS as well as government unwillingness' to hold an open debate on the issue. In contrast, the UK had provided a detailed Green Paper on this subject for its houses of parliament to debate. Lynch responded by emphasizing that debating EMS openly might compromise Ireland's negotiating position with the other eight member states. But empirical correspondence between Finance and the Taoiseach indicates considerable confusion as to what that position would actually be right up until the Brussels Council meeting in December 1978. But it is likely that publishing an official line was simply not possible because it essentially didn't exist yet! Minutes of discussions would certainly indicate this.

But another factor also complicated the possibility of issuing an official publication. As already outlined, there was significant reference to NI in government policy formulation and an official report would have to refer to this. Joining EMS without The UK would, it was reasoned, distance Ireland from the six counties. Issuing a report at this time could politicise EMS greatly particularly among hard-line nationalists.

Communication between the UK and Ireland concerning the EEC was initially relatively frequent but Honohan and Murphy accredit an incident in the lead up to the Bremen European Council on 6/7 July 1978 as "fundamental" in how the Irish approached that meeting. ²⁸ Two weeks prior to the Council, French and German delegates had briefed all the EEC members with the exception of Ireland and Denmark. It was expected that the UK's representative, Couzens, would communicate progress with the Irish. He failed to do this. And due to this confusion, Callaghan's initial refusal to agree to Bremen's basic proposals was initially assumed, by Giscard, to also be the

²⁶ The European Communities Committee recommends a tour of the eight to discuss EMS on 6 October 1978, NAI DT 2008/148/650.

²⁷ Dáil Debates 30 November 1978 consulted on line [1st June 2014]

http://debates.oireachtas.ie/dail/1978/11/30/00004.asp

²⁸ NAI F1/14/78 until NAI F1/19/78.

Irish stance.²⁹ Britain's lack of co-ordination with the Irish was similar to that experienced during Ireland's first application to join the Communities in 1961-2.³⁰ But that incident appears to have strengthened Ireland's determination to be part of EMS and this is reflected by Lynch's positive stance at the Bremen Council as well as Irish policy positioning over the next five months.³¹

Detailed calculations, as referred to above, indicated that it was in Ireland's economic interests to join EMS by September 1978. It is important to refer to that debate because Machiavellian financial positioning – and not allegiance to the *acquis* – dominated those internal minutes. Other research has outlined that Callaghan arrived at his decision to decline joining EMS on the weekend of 8 October 1978.³² Irish officials suspected British hesitancy by August 1978 and those doubts were confirmed at its bilateral meeting in September 1978. However, despite Irish resolve to act independently of the UK at Bremen as well as the UK's failure to communicate important information as cited above in June 1978, officials appeared consistently anxious about maintaining bilateral relations with the UK. Staff at Ireland's Embassy in London reported back to headquarters quoting the British Secretary as saying that a decision on EMS may not be taken until "right up against the deadline in December" and that "bilateral discussions with other countries including Ireland were important". 33 Despite this information, Irish officials remained anxious about being omitted from British communications as late as October 1978. A delicate balancing act ensued. Appeasing the UK and arranging a joint approach with the British on the one hand and defending its own economic interests on the other. But as the autumn progressed, Irish officials rechannelled their energies into bilateral relations with the seven other member states and securing as many grants as possible from their European partners.

Irish and British officials met to discuss the proposed European Monetary System on 26 September 1978. Only Kester Heaslip, Assistant Secretry in the DFA, was present and the delegation was mainly chosen from the Department of the Taoiseach and Finance. These discussions, as well as Irish commentary after the meetings, demonstrate a delicate balancing act as referred to in the previous paragraph. British officials were concerned that the "pendulum was swinging too far in the direction of a system which would impose greater obligations on debtor rather than on creditor countries and would be deflationary in its effects". Furthermore, "a

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²⁹ Honohan and Murphy, 'Breaking', pp. 14-15.

³⁰ Maurice FitzGerald, From Protectionism to Liberalisation, pp. 147-157.

³¹ Correspondence on Bremen Council 6-7 July 1978, NAI DT 2008/148/550 and NAI DT 2008/148/551.

³² Mourlon-Druol, 'The Emergence', p. 318.

³³ Note from O'Ceallaigh to Swift in information section of DFA on 26 October 1978, NAI DT 2008/148/652.

³⁴ Notes of meeting 26 September 1978 between British and Irish officials concerning EMS. British delegation included: Michael Franklin (Deputy Sec and Head of EEC Section in British Cabinet Office), Robin Hayden (British Ambassador), Ian Byatt (Deputy Chief Economic Advisor in the Tresury) and Julian Curtis (British Embassy). The Irish delegation included: Dermot Nally (Deputy Secretary, Dept of the Taoiseach), Maurice Horgan (Assistant Secretary, Department of Finance), Kester Heaslip (Assistant Secretary, Department of Foreign Affairs), Eamonn Clarke (Assistant Secretary, Department of Economic Planning) and Walter Kirwan (Assistant Secretary, Department of the Taoiseach), NAI DT 2008/148/651.

consensus appeared to be emerging in favour of the use of the parity grid system as the basis for intervention: this was essentially a system on the lines of the existing "snake". On the other hand, the UK favoured the basket system which would bear significant advantages for the less prosperous countries. Although, Ireland had favoured the parity grid system in the Finance Council on 18 September it assured the UK delegation that it "still had no definite position but [was] favourably disposed toward participation". It concluded by stating that its final position would depend on the outcome of concurrent studies. However, Ireland's Assistant Secretary in Finance reasoned that the parity grid system was the system that was used for the calculation of MCAs (Monetary Compensatory Amount). While the British had a highly sophisticated foreign exchange market operating in London, Ireland had only a limited one in Dublin. Furthermore, in the event that such a system had to be established, it would be greatly preferable, for practical reasons, that it operate within a European foreign exchange system that was tried and tested, as compared with a novel system which nobody had the experience of working within. Horgan then emphasized the fact that Ireland's "very small weight in the basket and the relatively large weight of Germany would be likely to give rise to a need for frequent intervention which would keep the Irish pound within a limited margin against the basket unit. The Belgian compromise proposal, whereby "the basket would be used on top of the parity grid to indicate which was the divergent currency", provided a vehicle for the introduction of greater symmetry of obligations which was attractive to Ireland. But if the UK opted out of EMS, Irish officials confirmed that it was unlikely to be decisive to Ireland's definitive decision. At the same time however, as cited above, officials were anxious about maintaining good communication with the UK. But other research, which has already surveyed Finance files, underlines anxiety particularly amongst Finance officials in making the break with sterling.35

Kirwan commented in a note two weeks later to Dermot Nally on the best course of action for the Irish at this point such as whether a green paper should be published to facilitate debate concerning EMS or whether greater support should be given to British concerns in order to maximize encouragement to join EMS.³⁶ But Irish commentary concerning the meeting with the UK is important. It was argued that, in order to facilitate 'less prosperous member states' accession to EMS, a large transfer of EEC funds was necessary. Kirwan summarized that UK interests lay more in securing a "monetary system that would involve symmetry in adjustment obligations between creditor and debtor countries and in securing a generalized commitment to have the net impact on member countries of the Community budget placed on a more progressive footing,

 $^{^{35}}$ Honohan and Murphy, 'Breaking', p. 22. 36 Kirwan to Nally sent 10 October 1978 referring to EMS and preceding meeting., NAI DT 2008/148/651.

related to countries' ability to pay or need for aid". 37 However, these discussions are important concerning how 'less prosperous' countries would be defined. The UK did not appear to prioritize transfer aids and was not a "direct competitor for any financial assistance decided on by way of aid for capital investment in industrial development and infrastructure." However, the UK delegation had 'tried to put the Irish on the spot' seeking to secure agreement that it was not necessary to include the balance of payments as one of the criteria defining less prosperous countries. That arrangement would disadvantage Ireland's case for funds and place the UK in a better position to achieve further transfers.³⁸ But it is interesting how prudently the Irish delegation treads. On the one hand, the latter did not wish to discourage UK plans. But its exclusion would create difficulties for Irish exports to the UK. Although Irish trade had been diversified to a certain extent since EEC membership, the UK remained a significant export market for Ireland. It was also necessary to defend its strategic interests and would have been unwise to make commitments on a bilateral basis that could disadvantage Ireland's case for transfer funds with the Commission long-term. There was the possibility that donor countries could, if they wished, make difficulties in respect of qualification for assistance by reference to a balance of payments criterion, by concentrating on the basic balance, including capital inflows. However, the structural indicators' paper circulated by Commission representatives indicated Ireland's eligibility for assistance. While it proved difficult to avoid a direct answer there was a "general tendency [among Irish delegates at the September meeting to move away from the specification of particular criteria towards a general economic assessment of the relative strength or weakness of countries which might be regarded as less prosperous". Kirwan concluded by summarizing that the latter would afford an opportunity for Ireland to get 'off the hook' of the balance of payments criterion and more generally, to "adopt a stance which would be generally more helpful towards the British."³⁹

The future of the CAP concerned Kirwan and he emphasised that the UK's main interest appeared to be "a situation in which net transfers through the Community budget related more closely to countries' interest". The Irish delegation had in its bilateral talks with British officials indicated that "we [they] saw no necessary incompatibility between our approach in the concurrent studies of seeking aid for concrete investment programmes and the longer term aim of recasting the community budget on this basis." But Kirwan expressed concern to Nally that the latter may be interpreted as Irish readiness for significant change to the CAP. British officials, during this meeting, had expressed their intention of restricting the accumulation of surpluses. Their approach seemed to focus on other methods of adjusting flows through the Community budget – also inspired

³⁷ Memo Kirwan to Nally on 16 October 1978, NAI DT 2008/148/651.

Rory O'Donnell, 'Monetary Policy' in Patrick Keatinge, *EEC Membership Evaluated*, p. 78. ³⁹ Memo from Kirwan to Nally on 16 October 1978, NAI DT 2008/148/651.

the MacDougall Report. This could actually benefit Ireland and lead to a substantial increase in receipts but would involve "an act of faith in relation to the CAP". 40

Ireland's government report outlined varying scenarios that may arise for Ireland relating to EMS. That empirical material reveals, through detailed analysis, that Ireland would be best served by joining EMS. If Ireland and the UK both remained, for example, outside EMS a "higher rate of inflation was forecast and lower growth of real incomes, resulting in lower growth of output and employment". On the other hand, repercussions for Ireland would be more severe if Ireland joined the EMS and the UK remained outside. Ireland, without parity with the pound STR, would be more vulnerable to fluctuations in margins and sterling could depreciate "against the pound and other EMS currencies". Fiscal and monetary policy disciplines could be severe in order to reduce inflation, including a tight income policy, in order to ensure the maintenance of an appropriate external balance. Potential job losses were estimated between 3-10,000 and the Minister for Industry and Commerce advised the "the introduction of special financial measures to enable affected industries to survive". 42

The same report also investigated repercussions for the agricultural sector if Ireland joined EMS without the UK. But membership of the EMS would, it was predicted, "result in stable MCAs, except when discrete green rate changes or changes in central rates take place, and would thus facilitate trade in agricultural goods". Furthermore, it could result in the "phased elimination of MCAs and thus the restoration of market unity." ⁴³

Political implications of Ireland's accession to EMS have been briefly referred to above. It is significant, therefore, that this report emphasized EMS in relation to Northern Ireland. The same report outlined that membership by Ireland and the UK in a durable EMS arrangement would have a beneficial impact on both economies. And indeed the EMS could be used as a mechanism to help Anglo-Irish relations. Indeed a more "helpful attitude on our part in relation to British concerns in the EMS context could pay substantial dividends in respect of the evolution of British policy in relation to the North, if the Labour Government is returned to power after the next general election in Britain." The FF government was concerned that joining EMS without the UK would be particularly damaging to national unity. It referred to the Irish Constitution's claim over the island as a whole including the Republic and Northern Ireland. On balance, however,

it is felt that the impact on the consciousness of Ireland as a unit, flowing from the commercial inconveniences and disadvantages of a currency break would be of relatively

⁴¹Government Report on EMS, NAI DT 2008/148/651.

⁴⁰ Ibid.

⁴² Ibid.

⁴³ Ibid..

⁴⁴ Kirwan reported to Nally on 10 October 1978 regarding NI and EMS, NAI DT 2008/148/651.

little importance in comparison with the political, security, constitutional, legal and social elements in the attitudes of the unionist population toward unification.⁴⁵

But this reasoning could have proved politically explosive among hard-line nationalists in the Republic if it was made available to the public.

There were also administrative considerations due to Ireland's belonging to the sterling monetary system for over 100 years. The two banking systems in Britain and Ireland have developed an efficient and speedy method of "transmitting cheques, credit transfers, direct debits and standing orders between the two islands." ⁴⁶And although implications for the six Northern Irish counties as well as Ireland's traditional trade link with the UK were considerable, it is surprising that the political implications for EMS in the broader and more long-term future of the Communities was not analysed.⁴⁷ The report emphasized economic repercussions and contrasted with former caution and sensitivity demonstrated by DFA officials during EEC negotiations in the early 1970s. Ireland's political commitment to the Communities was underemphasised. It could be argued that this report was put together for internal use but the exclusion of this political aspect is important.

By late October 1978, Ireland diverted considerable attention from the UK towards other member states. Bilateral meetings between the British Prime Minister and the Taoiseach even confined to EMS became increasingly difficult to arrange due to the general situation in NI.⁴⁸ However, Irish officials continued to meet with British counterparts at the Monetary Committee, Economic Policy Committee and Committee of Central Bank Governors. Ministers for Finance, Foreign Affairs, Agriculture and Economic Planning and Development met their counterparts for example in a neutral context.⁴⁹

George Colley's meeting with the French Minister for Economy, Monory, on 6 November 1978 and subsequent meetings with the other member states is important in this regard.⁵⁰ This contrasted with former meetings of this kind in relation to for example ERDF where senior DFA officials would usually have been present at bilateral talks. The Irish delegation firstly assured the French of their happiness to accede to EMS and secondly lobbied for additional funding to help in its transition towards that goal. But the extent and conditions of that funding would be debated over the next months leading to the Brussels Council in December 1978. Ireland effectively lobbied for a mixture of grants and loans from the Commission. Additionally, it requested that its case be treated separately to that of the British and other claimants and enquired as to whether the UK could

⁴⁵Government Report on EMS, NAI DT 2008/148/651.

⁴⁶ Note from Kirwan to Nally on 9 November 1978, NAI DT 2008/148/653.

⁴⁷ Government Report on EMS, NAI DT 2008/148/651.

⁴⁸ Note for the Taoiseach from Kirwan, NAI DT 2008/148/653.

⁵⁰ Note on meeting between George Colley and Monory on 6 November 1978, NAI DT 2008/148/653.

actually veto help for Ireland. While this possibility should not be excluded, it was, according to the French, "politically not on". Monory also warned that the Commission had indicated that any forthcoming money would be used for productive and infrastructural investment. He also recognized "the necessity for Ireland to pursue the question of resource transfers simultaneously with the EMS it might not be politic to have the two issues too closely interlinked". Colley responded underlining that it "was essential for Ireland to have an assurance of the level of resource transfers". Colley was trying to work out which effectively would offer the best deal for Ireland. Ireland had been criticised in the past for over-emphasising economic benefits of membership and this Colley repeated here. This strategy had been referred to several times during European Communities Committee meetings but did not filter down to Finance's new Minister for Finance. He appears to have been unaware of this sensitivity.

Schulmann, Germany's head of economic division in the Chancellery, was even less sympathetic to Irish claims for help "in the form of direct transfers, grants to supplement Irish public investment particularly on infrastructure" in joining EMS. ⁵² But Schulmann referred to the considerable financial benefits which Ireland had already derived from the CAP as well as the regional and social funds" and suggested EIB (European Investment Bank) loans as a better alternative. ⁵³

In parallel with its tour of the Eight, the Irish Government also examined EMS and each member state in its memorandum for the Government. German instability in 1977 had stimulated a re-evaluation of its position among other European currencies. Alarm had been experienced due to the "potential impact on German exports and the German Chancellor felt that a broadly-based exchange arrangement encompassing community currencies together with associated non-associated currencies (such as Austria, Switzerland, Norway and Sweden) and backed by mutual credit support arrangements could help defuse speculation against the mark and hold its level close to that of participating countries". Essentially, it wanted a system that would "constrain the rise in the mark (or at least ensure that other Community currencies will rise in line with it), while not diluting the current anti-inflation discipline of the snake". The French, according to the Irish report, wanted to join EMS in order "to blame it for further disciplines in domestic politics". Fi Irish officials also held similar discussions with Belgian and Danish officials on 24 November 1978. That lobbying for funding with other members states was opportune because the Irish Embassy in

⁵¹ Ibid.

⁵² Talks between Irish Ambassador and Schulmann (Head of Economic Division in the German Chancellery) on 27 October 1978, NAI DT: 2008/148/653.

⁵³Ibid.

⁵⁴ Government Report on EMS, NAI DT 2008/148/551.

⁵⁵ Ibid

⁵⁶ Reported meeting with Belgian and Danish officials on 24 November 1978, NAI DT 2008/148/655.

London reported on the same day that "there is a common European interest in convergence and a more reasonable transfer of resources". Similarly there was "a common interest in greater monetary stability" and "improved credit arrangement" which embraces [embraced] a number of aspects which Britain wanted to participate in. If the exchange rate mechanism remained substantially the same as the snake, Britain might find it hard to join it at least initially. But the report also emphasized that a clear impression was given that "if not all members enter EMS in parallel, we could not rely on support here for funding channelled through EEC mechanisms." Honohan and Murphy outlined that, despite the 'success in attaining transfer of resources, a deferral would give them more time to prepare as well as attaining a better rate at which to enter EMS.' But, the same deferral could also lead to a longer period of uncertainty and confusion. ⁵⁸

British hesitancy concerning EMS appeared to create anxiety among officials particularly concerning NI. While initially NI is certainly a factor in reports prepared on EMS during the summer and autumn of 1978, those concerns are heightened as the UK's co-operation in EMS became less likely. Sean O'hUiginn in the DFA wrote to Kirwan in the Taoiseach's Department concerning EMS and NI on 27 November 1978. He emphasized that the latter should be hypothetical and general given the uncertainty about many crucial considerations relating to British intentions and the arrangements Ireland can reach with both Britain and its partners in relation to EMS and to North/South relations in that context. At the same time, however, O'hUiginn was conscious that on the one hand that report should reflect the impact of EMS as positive. However, it could be construed by many people – particularly in NI – as over-sanguine. In the first place it seems likely that any assessment of the overall impact of EMS will be setting long-term economic and political benefits against very many obvious short-term economic risks and disadvantages. While the administrative impact may ultimately prove to be as slight as O'hUiginn's draft suggests, very many people among

the minority are also conscious that it does represent a further administrative and psychological strengthening of the border and undoubtedly adds to the difficulties of bringing people on both sides of the border together to minimize, through economic cooperation, the political impact of the border.

Kirwan therefore suggested that a greater distinction should be made between long and short-term effects of EMS in relation to the economy here and relations with NI. Secondly, less emphasis should be placed on short-term benefits in particular in relation to employment and living standards here and more on the 'long-term benefits in relation to stability of the economic environment, consequent economic growth, our [Ireland's] role in Europe.' Finally, there should be a greater

⁵⁷ Cambell in London reports to Dublin on 24 November 1978, NAI DT 2008/148/655.

⁵⁸ Honohan and Murphy, 'Breaking', p. 22.

degree of awareness of the concern which exists among the nationalist population in NI.⁵⁹ It was important, therefore, to reach the correct balance between sensitive areas at home as well as launching a positive message concerning Ireland's intentions in joining EMS among its EEC partners. The DFA's message and concerns did eventually get through. Lynch's speech to the Dáil on 30 November 1978 reflects the latter. Taking into consideration Monory's earlier criticisms that it was not politic for Lynch to appear too keen on transfer funds only, he expressed his anxiety "to join the new system because we [Ireland] had a deep commitment to the ideal of closer European integration within the Community". 60 This reflected earlier tendencies at the beginning of accession which tended to emphasize, as demonstrated in the second chapter of this dissertation, Ireland's commitment to the Communities' political ideals at every opportunity possible.

Heightened bilateral meetings with all EEC member states were pursued by Lynch and Colley leading to the December Council in Brussels on 4-5 December 1978. There, agreement was reached on EMS although Ireland and Italy did not accept the transfer funds offered and requested a "pause for reflection". Confidential meetings followed and Lynch confirmed Ireland's willingness to join EMS on 15 December 1978. Some research outlines that "Ireland's future lay in Europe" and to turn down the goodwill that had been built up over the EMS negotiating process was not wise. 61

J. J. Lee credits the transfer of 'cheap money' as Ireland's main motivation for joining the EMS. "More grants meant more domestic handouts" and Lee essentially claims that a "mentality, inherent in Irish political culture, had been fostered even further by the image of the EEC as a welfare agency for Ireland, and by the O'Donoghue prescription." But the notion of membership as welfare is quite dissimilar to discussions at the interdepartmental Committee on EEC affairs which had emphasized contribution and commitment to membership as outlined in the second chapter of this dissertation. At the same time, however, Lynch's action as outlined in the last paragraph appears to be more similar to Lee's description than to earlier official perceptions and commitment to the ideals of EEC membership and the acquis.

Conclusion

Ireland's decision to join EMS was complicated by its traditional primary trade link with the UK. The British position was uncertain well into 1978 and this caused considerable concern among Irish Finance officials. Ireland had, after all, copperfastened its economic ties with the UK relatively

⁵⁹ Note from Sean O'hUiginn in DFA to Kirwan in Taoiseach's Office on 27 November 1978, NAI DT 2008/148/655.

⁶⁰ Dail Debates 30 November 1978. [1st June 2014] http://historical-debates.oireachtas.ie/D/0310/D.0310.197811300003.html. Consulted 27 March 2011>

⁶¹ Honohan and Murphy, 'Breaking', p. 22.

⁶² J. J. Lee, *Ireland*, p. 493.

recently in 1965 and that move had helped to facilitate membership of the EEC. Only thirteen years later, Irish officials were faced with the scenario of entering EMS without the UK. Even as late as 1978, and having diversified its export markets considerably, the UK continued to be an important element in Ireland's strategic economic decision-making. Links with Northern Ireland and the political consequences of joining EMS without the UK also pre-occupied both Colley and Lynch.

Tracing Ireland's motivations for turning away from the UK and toward further integration with the EEC are complex. That oscillation was not easy and official correspondence indicates substantial soul-searching during the last half of 1978. Officials, particularly in Finance, were frustrated at their lack of independence due to its ties with the British pound and there were considerable suspicions that EMS would emanate that former situation. EMS was not envisaged, as other steps toward further integration were in the early 1970, as de-anglicisation but rather in terms of another type of inter-dependence. It appears that as membership of the EEC progressed Irish officials became more wary of how much could be gained in fiscal terms from membership. But deteriorating Anglo-Irish relations as well as the promise of significant transfer resources to help in its transition certainly helped convince Colley and Lynch to join EMS in December 1978.

But Ireland's policy formulation concerning EMS also demonstrates other important developments in its institutional history. Despite the fact that the DFA had won considerable ground in establishing itself as gate-keeper of EEC affairs between 1975 and 1977, the Department of Finance and Taoiseach managed negotiations concerning EMS. This indicated two important points. Firstly, the decision to join EMS was probably envisaged as a purely domestic decision which was dependant on the UK's action. If this was the case, these departments were most suited to manage that strategy.

However, that choice also indicated a certain level of short-sightedness. Negotiations could have gone either way but it would appear that these officials had their gaze initially fixed across the Irish Sea rather than toward the continent. Secondly, by not involving the DFA to a greater extent considerable institutional memory and expertise in European Affairs were under-utilised. Colley's talks with Monory in November 1978 and Lynch's subsequent statement in the Dáil provide a good example.

The importance of this move and the loss of this policy area was not lost on the DFA. Indeed, MacDonagh tried to defend his department's original remit as gate-keeper of relations with the EEC. His objections do not appear to have been taken seriously and correspondence fades in a short period. He may have been missing the political backing of Michael O'Kennedy. But MacDonagh's memorandum is especially poignant if one analyses how the administration of European affairs developed in the next decade.

By 1980, Finance would officially re-adopt direct management of economic affairs concerning the EEC. Memories were long in Irish politics and Charles Haughey made considerable changes after becoming Taoiseach in 1979. Jack Lynch had removed the European Affairs portfolio from Haughey's Department of Finance in the early 1970s. But, as has been underlined in this research, roles were not clearly defined or divided and sometimes overlapped and this situation had serious repercussions for various aspects of Ireland's management of membership. Finance vied for full control especially over financial aspects of membership throughout the 1970s. Lynch decided to delegate EMS to Finance in 1977/78. That effectively initiated with discussions concerning EMS but formalised when it re-adopted direct management of economic affairs concerning the EEC in the 1980s. As Taoiseach, Haughey would actually go even further removing the DFA as chair of the European Affairs Committee. He chose to take over steering that Committee and expanded the Department of the Taoiseach substantially. Despite the DFA's relentless efforts to make its mark and defend its turf as gatekeeper of European Affairs throughout the 1970s, its responsibilities regarding EEC affairs had been diminished significantly by the early 1980s.

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⁶³ Brigid Laffan, 'Managing' in Mark Callanan (ed.), *Closer Union*, p. 180.

Conclusion

Ireland's management of EEC membership was not linear or without paradox and this dissertation has sought to underline those opposing trajectories. Prior to accession, Ireland's relations with the EEC were split between national departments. That had direct consequences for the management processes which emerged after membership. The beginning of this dissertation concentrated on outlining why and how this system emerged. Later chapters build on that basis and demonstrate how certain administrative practices and procedures actually damaged Ireland's relations with the Commission and the Six.

Administering membership, it is argued got off to a bad start! Discussions with the Communities and the Six concerning Ireland's membership prior to 1971 were generally handled by Finance, the Taoiseach's Office and Industry and Commerce. And while the Department of Foreign Affairs contributed and fed information from its missions into interdepartmental debate. It was not, however, a lead department in policy formulation concerning the Communities. But as formal negotiations opened, the DFA was given full management of this portfolio. This created considerable asymmetry and these dynamics have been noted in this dissertation. The Irish government's White Paper on accession for example had been prepared by the Department of Finance and therefore the DFA essentially inherited another department's vision of what membership was and could become. One of the most striking features of this report was that it did not refer to Ireland's actual administration of membership. That seems extremely odd considering that it had been seeking adherence to the EEC since 1961. However, the first two chapters of this dissertation contextualise these dynamics in a longer historical context and propose why this situation emerged. Political science literature, general historical texts as well as official publications such as the Devlin Report have greatly assisted in laying the bedrock for later findings.

This dissertation has highlighted some key features from Ireland's relations with the EEC in the 1960s. It is argued that some of these can be traced in how Ireland approached certain problems and formulation of policy in its early years of membership. In a sense, the twelve year wait for accession was convenient because it allowed Ireland adapt economically toward further liberalisation. It also gave Irish staff time to become more familiar with the workings of the institutions. This learning process was greatly helped by the opening of an embassy to the European Communities in 1966. Personal contacts and experience also aided in readying Ireland for accession. Mistakes were utilsed to build from and were referred to during Ireland's Conference of Ambassadors in 1973. For example, diplomats had understood by 1973, the importance of playing down any reference to economic gains from membership and emphasising its political committent to

the Communities. Ireland's over-reliance on British diplomatic information and disappointment at being excluded from EFTA in 1961 encouraged it to strengthen its own direct links with the Six. At the same time, there had been an acceptance among Irish policy makers of its over-reliance on British export markets and its effective dependence on the UK. That demonstrated a realism and maturity in Irish policy making which only one generation before had emphasised its economic independence of the UK. It is argued in this dissertation that, despite these moves, Ireland remained heavily influenced by the actions of the UK within the Communities.

Preparation for negotiations in 1971-2 was actually split between Finance and the DFA. Finance co-ordinated detail on specific policy areas with national departments and this was forwarded to the DFA which managed negotiations. However, this essentially meant that policy domains were split. This can be understood for the convenience of negotiations in the immediate term but it created serious difficulties after membership becauce essentially a dual system for information gathering had emerged. A half system which straddled policy-making between departments evolved. That system originating in a concept of 'collective responsibility' seriously compromised the administration of Ireland's membership of the EEC.

The DFA struggled to assert itself as gatekeeper and predicted these difficulties in a report as early as 1972. It meticulously detailed exact procedures for the diffusion of information and how duties would be delegated between national departments. From the very beginning, Finance resisted the DFA's role as gatekeeper and attempted to lobby other departments to call for the Taoiseach to have an overall co-ordinating role. That resistence to the DFA's role as gatekeeper would persist and can be traced in Ireland's first six years of membership. However, by then Finance had already gained considerable ground in co-ordinating departments concerning EEC policy at home – a job which the DFA really should have managed. The DFA struggled to gain control and assert itself as gatekeeper in 1973-4. The rivalry and tussels for power over EEC affairs that persisted throughout the 1970s are remarkable and this research highlights these struggles because they often had a direct bearing on Ireland's policy formulation toward the EEC.

The two departments also had very different perceptions of what membership was and could become. The DFA had a wider appreciation of Ireland's responsibilities and obligations from within the Communities while Finance envisaged an overwhelmingly economic arrangement. But, it is also argued that, both had a very different approach to policy formulation. Having direct contact with the Six through its missions, the DFA had learned and been emersed in Community ideals that went far beyond an economic trading partnership since the early 1960s. The political aspect of membership had been under-emphasised in 1961-62 and would later create difficulties for Ireland's second application for membership of the Communities. The DFA was wary of portraying Ireland as a team player and not simply interested in monetary gains. Finance, on other hand, had a much

more inward focus. This is very evident in its actions concerning the regional funds but so too was its attempt to refuse to re-imburse travel expenses to diplomats in the lead up to the Presidency and its strategy during its tour of the eight concerning EMS. Engaging with the EEC was limited.

Adaptation to some extent was tolerated but it stopped far short of real reform or real re-structuring.

But this was in tandem with Ireland's initial administration of membership. Adaptation rather than using membership to re-establish a more structured way to administer and manage it was the preferred choice. And those attitudes were not exclusive to Finance. But they can be understood somewhat if one examines these developments in Ireland's longer-term institutional history. The Devlin Report outlined guidelines for reforming the Irish Civil Service in 1967 but these were largely never implemented. There was considerable resistence toward reform and this is outlined in detail in the second chapter of this disseration. After accession, Ireland's administration of relations with the EEC was adapted rather than re-structured. But by contextualising these decisions in Ireland's longer institutional history, adaptation rather than re-modelling was certainly the road of least resistence. The UK had re-modelled its administrative system through the foundation of its European Unit in the Cabinet Office or COEU in 1962/3 which provided "advice, convened meetings to discuss issues, was expected to ensure that departments gave full consideration to matters and that government presented a united and coherent position in its dealings with Brussels". The Foreign Office had two European Integration Departments (internal and external) as well as its Permanent Representative in Brussels. In contrast to the Irish system, both were housed in the same department. Accession could have been used as an opportunity for re-modelling at least regarding EEC affairs. Instead, that chance was lost.

Empirical examples trace these counter-tendencies as well as considerable rivalry between departments. But ineffective filtering of Ireland's policy toward the ECC through the DFA, meant that its recommendations did not always get through and inform Ireland's policy-making. At times, the DFA is actually by-passed and Finance appealed directly to the Taoiseach in pushing its positions within the administration. Despite its expertise in EEC affairs and technical knowledge of accession terms, the Taoiseach opted for Finance's strategy in the Communities.

The DFA managed to assert its position and central co-ordinating role particularly during Ireland's first Presidency of the European Council in 1975 and there is considerable improvement in communication with the Taoiseach's Office. The very nature of membership and the necessity to filter activities through one lead department during the Presidency actually helped to facilitate and assert the DFA's position as gatekeeper. The personality and leadership of the Irish Minister for Foreign Affairs, Garret FitzGerald, helped to further enhance its role in EEC policy-making.

 $^{^{\}rm 1}$ Bulmer and Burch, Europeanisation of Whitehall, p. 85.

But that role is side-lined once more as negotiations for EMS approach and a new government is elected. As had been the case during Ireland's moves toward liberalisation in the 1960s, Finance and the Taoiseach's Office took the lead role in these negotiations. But diminishing the DFA's role meant that considerable institutional memory in diplomatic relations built up since 1961 was under-utilised.

The role of the European Communities Committee has been emphasised throughout this dissertation. Several lead departments came together and debated topics relating to the EEC. It met frequently and information exchange was effective. Considerable institutional memory was utilised and was fed into decision-making. But as membership evolved particularly after 1976, more and more specialist sub-policy groups emerged. The EMS and EP serve as good examples of these. And while these, to some extent, filtered and honed technical expertise, they also distanced it away from considering wider views such as those exchanged at the European Communities Committee. This was complicated by the fact that the government changed in 1977.

Finance had hoped to at least retain full control of economic and fiscal questions concerning the EEC and it formalised that request in the summer of 1977. The DFA underlined the danger of splitting policy regarding EEC Affairs. But it is questionable, due to the change in government, whether MacDonagh had the political weight behind his fears. It is likely that FitzGerald – experienced at this stage in defending the department's role – would have objected more vociferously. It does not appear that Lynch formally accepted Finance's position. However, in effect EMS was managed primarily by Finance and the Taoiseach's Office. They took the lead role in these negotations as had essentially been the case in the 1960s. But this move distanced DFA expertise from policy formulation and this research demonstrates a number of diplomtic errors on the part of Finance officials during their tour of the eight in 1978.

It would be inaccurate to conclude that Finance was the only insular department in its approach to EEC affairs. Local Government, while disappointed at the centralised application process which evolved regarding ERDF, also remained very much focused on the national context in its management of direct elections to the EP. Analysing Ireland's preparation for EP elections underlines Local Government's inward focus. The report it had prepared concerning EP was actually criticised by Kirwan in the Taoiseach's Office as not considering the actual workings of the EP. After all, the EP's remit was very different to that of the national parliament. Even traditional issues such as taxes which often appeared in election manifestos were absent. And, therefore, direct elections to the EP were an unknown quantity.

ERDF has essentially demonstrated two sides of Ireland's management of EEC affairs: Ireland's internal adjustment and administration of applications; Ireland's diplomatic bargaining to acquire further funding from the Communities. The first was managed primarily by Finance while the other was guided by the DFA. EEC membership and European plans for regional development made available important funding to countries such as Ireland. This research demonstrates that the application procedure which emerged in Dublin for processing applications and sending them to Brussels actually copperfasted the centralisation of regional planning. However, officials believed that this approach would yield more funding; would allow it greater flexibilty in the management of grants and tax breaks to industry; and would allow central government to control funding. But this approach effectively displaced local government's role and involvement in planning.

The DFA strongly opposed that proposed system. It had different ideas about how the ERDF should be managed in Ireland. The system proposed and projects nominated did not always tally with the Commission's guidelines. This put the DFA in a rather akward position because, despite its reservations, it would have to present and defend Ireland's handling of ERDF in the Commission. This led to a rather disjointed approach. DFA officials had a longer-term view and were concerned that applications were managed and implemented effectively because that would affect later applications as well as its case for potentially increasing the overall size allotted to Ireland. Considerable rivalry is present among Finance and the DFA concerning the management of ERDF.

It is significant that the Taoiseach's Office sided with the DFA over Finance in its management of ERDF in 1976. The Commission had questioned some of the projects that Finance had put forward for nomination. The DFA had warned about this possibility in earlier discussions and FitzGerald emphasised the importance of using the funds effectively because it would help later applications. The DFA's experience and judgement was received and taken on board by the Taoiseach's Office in 1976.

But, these findings emphasise that the structure that prevailed for processing and nominating projects favoured and copperfastened the status quo. The Devlin Review had made several recommendations in 1967 but it should be underlined that these were resisted. The longer historical context is emphasised and it is argued that political science scholarship has suffered from a lack of that longer-term perspective. Maura Adshead's work on the ERDF is a significant example. She analyses Ireland's management of ERDF but fails to frame its evolution in a longer historical framework.² My research instead investigates the roots of why and how the system for selecting ERDF applications to be forwarded to Brussels evolved in Ireland. But Adshead manages to overlook debate which encouraged central governance to the demise of local government in the 1970s.

An important opportunity was lost for involving Local Government to a greater extent in regional planning. But despite Finance's efforts to centralise, other newly published literature underlines that the EEC has actually helped to encourage de-centralisation. This is a significant

² Maura Adshead, Developing European Regions, p.65.

example of where the institutions have managed to directly influence national administrative procedures for processing ERDF applications. This has been slow and has seeped in step by step. But Callanan and Keogan underline these positive signs. The impact on local government has not been restricted to actual financial transfers. For example, "EU requirements for spending structural funding have helped embed a culture of evaluation, monitoring and value for money in the Irish Public Service, including local government". Technical requirements for EEC funding can have an important influence in separate member states. In Ireland, for incidence, drawdown of structural funding has encouraged moving to "a multi-annual programme approach in public sector management". These changes have been relatively slow but consistent. And although national governance virtually excluded local government from the application process for regional funding, the European Commission has helped promote its involvement in the longer term particularly since 1987^{4}

Differences in how departments perceived Ireland's membership of the Communities have been underlined above. But this reflected important paradoxes also prevalent in Irish society. Ireland's reception of equal pay reflects this picture. Opinion differed considerably. Despite official commitments to introducing equal pay on time, this did not materialise and the Irish government sought a derogation. That would delay its introduction by one year. The government miscalculated the Commission's determination to introduce legislation as well as resistence among women in Irish society. Indeed, the IHA would lobby the Commission directly to refuse Ireland's request. But what this chapter seeks to emphasise is that important transnational processes were already underway before Ireland's membership of the EEC. Considerable exchange and mobility is prevalent in the 1960s between IHA and international women's organisation. Membership not only created the opportunity for change, it also created a new standard against which direct comparisons could be made. Working conditions of Northern Irish women and those in the Republic for example were compared in the Irish media. This group could now also lobby the European Commission directly and this, thanks to Hillery's invitation to Brussels, empowered and consolidated this campaign substantially.

Another important conclusion is the lack of information between the DFA and Hillery's Cabinet staff. This is surprising as other research demonstrates that many countries used these contacts as an important source of information. While there is some contact between Hillery and FitzGerald, DFA staff appeared reluctant to speak with the Cabinet. An entry in Hillery's diary recounts notes from a senior DFA official being scribbled on a napkin and secretly passed to him on a flight to Dublin. Hillery's frustration at the lack of communication is noted in his diary. Even

⁴ Ibid., p. 414.

³ Mark Callanan, 'Local Government and the European Union', in Mark Callanan and Justin Keogan (eds.), Local Government, p. 414.

when meetings did take place, Hillery's advice was not always taken. In the lead-up to equal pay, for example, Hillery strongly related that the chance of the Commission granted a derogation to Ireland was very unlikely. The government pushed ahead anyway in its plans to appeal implementing equal pay. But these contacts could have been useful particularly during Ireland's management of the Council in 1975.

This dissertation's main focus has been to understand Ireland's management of membership. However, Anglo-Irish affairs has been analysed when it affected that central research question. Other research demonstrates that Irish officials were very much conditioned in the 1960s by the UK's actions concerning the EEC prior to membership. Did that relationship continue to dominate from within the Communities? This research demonstrates that Ireland was willing to work independently of the UK on a number of issues for example on EP seats. It managed to act as an impartial, although sympathetic, arbritrator during Ireland's Presidency of the European Council in 1975. It reportedly was imagintive and accommodating towards the UK during its re-negotiations but strongly defended the *acquis* and implemented QMV toward the end of its Chairmanship.

At the same time, Ireland's policy formulation concerning EMS is important in analysing the development of Anglo-Irish relations after membership but also in examining how policy was actually formulated. Despite the fact that the DFA had won considerable ground in establishing itself as gate-keeper of EEC affairs between 1975 and 1977, the Departments of Finance and Taoiseach managed negotiations concerning EMS. The decision to join EMS was probably envisaged as a purely domestic decision which was dependant on the UK's action. If this was the case, these departments were most suited to manage that strategy. They focused their energies across the Irish Sea. However, this indicated short-sightedness on the part of Ireland's government. Indeed, by 1978 they had to almost frantically play catch up with their colleagues in the EEC organising a Tour of the Six in late 1978. But, managing EMS largely from Finance and the Taoiseach's Office meant that a considerable amount of institutional memory and experience concerning negotiations with the institutions and member states was under-utilised. After all, the DFA had been managing these, as a full member state, from 1971 until 1977. The UK and NI played a significant role in Ireland's strategy and internal correspondence concerning EMS during this period. One British official outlined that Ireland had not really changed by 1979. Its decision to join EMS, for example, was very much centred on the position adopted by the UK. But the break with the UK represented an important bridge that had existed for over a century. Official correspondence indicates substantial soul-searching during the last half of 1978. Ireland's dependence on the British pound could be replaced with a new dependence on EMS and that created considerable unease in Finance.

These shifts did not go unnoticed by the DFA and MacDonagh tried to question the wisdom of managing EMS from two departments. However, this was a pattern that remained and actually became more entrenched as membership progressed. Having defended its turf for a number of years the tide changed with a new government leader in 1979. Charles Haughey made important changes in this area and it will be important to examine how those administrative practices changed and evolved in the 1980s. It is ironic that the EEC affairs portfolio was actually taken from Charles Haughey as Minister for Finance in April 1970. After his nomination as Taoiseach, he went about adapting Ireland's management of EEC Affairs. The Department of Finance would officially readopt direct management of economic affairs concerning the EEC. Similarly, he chose to take over steering the European Communities Committee and expanded the Department of the Taoiseach substantially. Despite the DFA's relentless efforts to make its mark and defend its turf as gatekeeper of European Affairs throughout the 1970s, its responsibilities regarding EEC affairs had actually been diminished by the early 1980s.

Studying Ireland's management of membership has been fascinating. The dynamics within central administration have twisted and turned and new research themes where more in-depth analysis is necessary have sprung from this dissertation. Ireland's second Presidency of the EEC in 1979 for example would be important as is its management of cross-border ERDF funds with the UK. It would be also interesting to contrast the evolution of Ireland's management of EEC membership in the 1980s with this dissertation's findings. It is hoped that this research will be continued into the future.

⁵ Brigid Laffan, 'Managing' in Mark Callanan (ed.), *Closer Union*, p. 180.

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With financial help from the Department of Hisory in the EUI, it was possible to analyse empirical material relating to my dissertation in the following archives.

National Archives of Ireland, Dublin (NAI)

Department of External/Foreign Affairs (DFA):

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European Communities Committee Meetings

Embassy Files

Policy files such as files related to European Regional and Development (ERDF), Common Fisheries Policy (CFP), Ireland's first Presidency, Equal Pay, European Monetary System (EMS) and first direct European Parliament Elections (EP).

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Secretary's files

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Note: Finance files are catalogued without detailed description. They are housed off site and proved difficult to access and survey thoroughly.

National Library of Ireland (NL)

Irish Country Womens' Association (ICWA):

Files relating to Equal Pay 1974-77.

University College Dublin Archives (UCDA)

FitzGerald's papers (P215):

Research was concentrated on documents concerning FitzGerald's time as Minister for Foreign Affairs 1973-77.

Irish Council for the European Movement (ICEM):

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Patrick Hillery Papers (P205) were consulted after a lengthy declassification process. Research focused on his time as Ireland's first Commissioner of the European Commission from 1973 until 1976.

University College Cork Archives (UCCA)

Attic Press/Roisin Conroy Papers (BL/F/AP):

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Neville Keery Papers (K)

This collection was analysed in relation to equal pay and the establishment of Ireland's first Cabinet in the Commission 1972-76.

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Primary Sources on-line

The internet provides an exciting source for historians. Empirical sources are becoming available on line and material can be surveyed free from financial or logistical concerns.

National Archives and Records Administration (NARA)

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Abbreviations and Terms in Irish

AIFTA Anglo-Irish Free Trade Agreement

AIM Action, Information, Motivation

ASTI Association of Secondary School Teachers

CAP Common Agricultural Policy

CII Confederation of Irish Industries

CFP Common Fisheries Policy

COEU Cabinet Office European Union (UK)

CSW Council for the Status of Women

DEA Department of External Affairs (the Department's name

changed to DFA in 1971)

DFA Department of Foreign Affairs

DT Department of the Taoiseach (Prime Minister)

EEC European Economic Community
EFTA European Free Trade Association

EP European Parliament

ERDF European Regional Development Fund

EIB European Investment Bank

FCO Foreign and Commonwealth Office

FEOGA 'Fonds européen d'orientation et de garantie agriculturel'.

FUE Federated Union of Employers

HEAU Historical Archives of the European Union

FPTP First Past the Post

IAW International Alliance of Women

ICA Irish Countrywomen's Association

ICTU Irish Congress for Trade Unions

ICEM Irish Council for the European Movement

IDA Irish Development Agency

IFA Irish Farmers Association

IGC Intergovernmental Conference

IHA Irish Housewives Association

IMS Irish Management Survey

INO Irish Nurse's Organisation

IPA Irish Public Administration

IWLM Irish Women's Liberation Movement

IWU Irish Women United

MCA Monetary Compensatory Amount
MEP Member of European Parliament

MUA Million Units of Account
MFA Minister for Foreign Affairs
NAI National Archives of Ireland

NI Northern Ireland

OPW Office of Public Works
PRO Public Records Office

PRONI Public Records Office Northern Ireland

QMV Quality Majority Voting

REP Regional Employment Premium

STV Single Transferable Vote

SGCI Secretariat General of the inter-ministerial committee for questions on

European Economic co-operation in France.

TD Teachta Dála (Member of Parliament)
UCDA University College Dublin Archives
UCCA University College Cork Archives

Translation of Terms in Irish Language

Dáil Irish Parliament
Is Féidir Linn We can do it

Taoiseach Prime Minister of Ireland
Tánaiste Deputy Prime Minister
Teachta Dála Member of Parliament

Tús Maith, Leath na hOibre A good start is half the work