

NORTHERN IRELAND Information Service

17 January 1992

SECRETARY OF STATE'S SPEECH TO DUBLIN CHAMBER OF COMMERCE

I am grateful to have been invited to address this distinguished audience, including as it does so many of the business leaders of the Republic of Ireland. I was impressed to learn that the Dublin Chamber of Commerce is not only the largest Chamber in the Republic of Ireland, but is also older than any of its British counterparts, having been founded in 1783. I should like to speak a little later on about the importance of links between the Republic of Ireland and Northern Ireland. It is good to know that the Chamber reflects that principle - for instance in the person of your distinguished President, Dr Patrick Loughrey, who is himself from Northern Ireland.

I want to talk to you today under two main headings. First, I should like to give you a brief sketch of the British Government's policies on Northern Ireland. Secondly, as I have said, I want to explore the theme of the links between Northern Ireland and the Republic of Ireland, and of the ways in which, through the evolution of relationships of many different kinds and at many different levels, we can together seek to build a peaceful and more prosperous island of Ireland. In saying something about the Government's policies towards Northern Ireland, I want to start with a general point. No government could tackle political development or security or social and economic issues successfully in isolation from each other. Progress in each area is mutually reinforcing.

Let me add - and here I depart from my prepared text - a word about the position on political talks. The best way - perhaps the only effective way - of addressing our remaining problems is through talks of the kind we have been attempting for over two years, and which indeed we actually started, however falteringly, in the Spring last year. Such talks would involve - it is of their essence that they should involve-all the main political parties in the North, provided of course that they are committed to constitutional methods, as well as both the British and Irish Governments, in considering as part of a single process a comprehensive agenda. They would do so on the basis that nothing was agreed until everything was agreed, when the outcome would need approval by the people. That this is the way forward has become, and remains now, I believe, common ground among consitutional politicians on this island, and indeed throughout these islands. The timing, the readiness is all.

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The certain prospect, at an uncertain moment - but within a few months - of a British General Election, has provided both a difficulty and, in my view, an opportunity. It is of course relevant and helpful that Opposition parties in Westminster have expressed support for the process. In December it seemed that, working closely with the Government here, we could find a way of advancing matters towards, and beyond, an Election. After discussion this morning with Mr Collins, I shall continue to explore the possibility with the other potential participants. However the prospects of advance recede. The uncertainties of the outcome of the Election, on the one hand, and the need, on the other, for a process of this kind to have a reasonable chance of continuing to a conclusion, provide understandable obstacles to progress now. That is, in my view, regrettable, given public support for the process. There is however such general agreement on the basis for, and value of, such talks that we may find a way through. If not, then I hope and believe such talks should remain high on the agenda for everyone - whatever the colour of the British Government after our Election.

Any progress we can achieve in reaching agreement on the course of political development will not reduce the need for adequate

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security for <u>all</u> members of the community in Northern Ireland. I have always made it very clear that the terrorists will not advance their objectives one millimetre by the bomb or the bullet. The British Government provides and keeps under constant review of legal framework within which the security forces can act to defeat terrorism. The police and the army neither are, nor would want to be, above the rule of law. This would make it far more difficult to pursue another integral security objective security objective - which is to seek to isolate the terrorists from the communities within which they operate. A further essential part of our security strategy is to co-operate closely at all levels with the Government of the Republic of Ireland.

The drive to defeat terrorism will not succeed overnight. But we are implacable in our commitment that terrorism will be defeated, steadfastly and inexorably. The Government of the Republic of Ireland fully shares that objective.

Under the social and economic heading, the Government is determined to continue strengthening the economy of Northern Ireland, tackling unemployment, improving the quality of housing, targeting areas of social need and rooting out discrimination wherever it may occur. Such measures to improve the quality of

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life are, of course, beneficial in their own right. They are doubly important in that they also help to redress grievances which, in the past, have helped to sustain terrorism in Northern Ireland.

Despite the difficulties caused by the recession nationally, there is evidence that Northern Ireland has weathered the storm better than many other regions of the UK. In December 1990 employment in Northern Ireland was at historically high levels. . In September 1991 there were 22,000 more people employed than 5 years ago. Unemployment has increased but not at the same rate as in other regions of the UK.

The recession has done less damage to manufacturing production in Northern Ireland than in the United Kingdom generally. Let me give some illustrative examples. Harland and Wolff received a major new order in August 1991 for 6 bulk carriers. That order added to the company's status as the premier UK merchant ship building yard. And Hyster (NI) Ltd announced a £31 m expansion at Craigavon: the new project will create an additional 340 jobs.

Last year was also a very successful year for the Local Enterprise Development Unit, the Northern Ireland small firms agency. It promoted 7,000 jobs, a 27% increase on the previous year, while at the same time reducing its percentage contribution

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to the cost of projects. LEDU has also continued to develop its network of local enterprise agencies, and I am happy to report that this network is now virtually complete.

Equality of opportunity and equity of treatment merit support in their own right. In Northern Ireland they are also essential in terms of healing divisions within the community. One of our major policy priorities in terms of public expenditure is our initiative for targeting social need and, through affirmative action, eradicating unfair differentials which may come to light.

I want to turn now from consideration of our policies in Northern Ireland to the relationships between the people of the Republic of Ireland and Northern Ireland and the ways these relationships should develop. We have come a long way in the last decade in Northern Ireland. I believe that this is also true of the links between our two countries. I am quite sure that there has been a qualitative deepening in the awareness of each other's difficulties and the problems which confront both countries over a range of practical issues. The Anglo-Irish Agreement of 1985 radically changed the ways in which the two governments conduct their business together on a wide range of issues. One of the functions of the Intergovernmental Conference established under the Agreement has been to provide a vehicle for promoting co-operation in the economic and social spheres. A wide range of subjects of mutual interest have been discussed, such as tourism, energy, rural development, transport, environmental issues, health, agriculture and education co-operation. Both Governments believe strongly in the importance of maximising the advantages we can gain from such co-operation. That work will be given a strong further impetus by the removal of trade barriers and the harmonisation of trading arrangements at the end of the year.

The Agreement has also played a vital role in security co-operation. The border provides a resource to terrorists for planning and mounting attacks and to escape after committing murders or other atrocities. The IRA's largest ever bomb (almost 8000 lbs), which fortunately did not explode, got bogged down actually in the process of crossing the border, having been assembled in the Republic of Ireland for attacking soldiers at a checkpoint in Northern Ireland. Under the Agreement, both Governments have affirmed their total rejection of any attempt to

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promote political objectives by violence, and their determination to work together to ensure that those who adopt and support such methods do not succeed.

As progress is made and relationships evolve we need to ensure that the structures in place are responsive to these changes. The two Governments, while retaining their wholehearted commitment to the present Agreement, have made clear their willingness, in the context of last Summer's talks, to contemplate a new and more broadly based agreement or structure if this could be arrived at through direct discussion and negotiation between all the parties concerned.

It is, I think, common ground among all the constitutional political parties in Northern Ireland, as well as among the political parties here in the Republic, that any analysis of the relationships between Northern Ireland and the Republic of Ireland which leaves out of account the EC dimension will necessarily be incomplete - whether the focus is on political, social, or economic matters. The development of the Community's political institutions is unlikely of itself to remove or resolve the fundamental human and political divisions which have so long troubled the island of Ireland. We cannot expect the

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allegiances, loyalties and antagonisms which have fuelled the violence of the past 22 years in Northern Ireland quickly to lose their salience simply because of the attention which people are now rightly paying to the EC context. But we should not be blind to the value of developments which may over time reduce these antagonisms.

Within the European Community constructive relations have been established between Member States, on the basis of growing trade, economic inter-dependence and the removal of customs barriers. The agreement at Maastrict will take that process further by giving fresh impetus to <u>co-operation</u>.

Within this island there has often been hesitancy - in both directions - about the scope for joint initiatives. Many have held the view that the economies of North and South are in competition rather than complementary. In some areas this is undoubtedly true. But it is also true that, if we fail to get together where there is scope for this, we shall lose out competitively to our fellow Europeans and others. Elsewhere in Europe, the Single Market is being seen as an opportunity, a bridge from which to develop greater competitive strengths. If we fail to respond to the stimulus of 1992 in the island of Ireland, we shall find competitors from other parts of the Community ready to step up to do so.

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The key, I believe, is to recognise that the facts of geography and economics mean that the two parts of the island of Ireland face many serious and similar problems and that what is needed is a series of incremental steps to tackle common problems.

The development of the Community has given impetus to the evolution of relationships of many different kinds and at many different levels between the people of Republic of Ireland and Northern Ireland.

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It seems, nonetheless, that, in what has been described as a "partition of the mind", many of the people of the Republic and in Northern Ireland know remarkably little about each other and indeed have little interest in improving the acquaintance. This is an odd state of affairs among people who share a land border and whose considerable mutual interests are strengthened further by the development of the Community. You may have your own ideas about why this should be so. Perhaps some people in the Republic are unable to perceive Northern Ireland as anything other than a problem and wish to insulate themselves from that problem. Perhaps there are those in Northern Ireland who mirror that seeming isolationism.

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One relationship which is particularly important if mutual understanding within the island of Ireland is to be fostered is that between the people of the Republic and the unionist tradition in Northern Ireland. There is a need to reduce mutual insecurity and suspicion, and to increase mutual familiarity and confidence. In this context it was helpful that the Irish Government made clear - in relation to the talks held in Parliament Buildings, Stormont between April and July last year that everything was on the table as far as Articles 2 and 3 of the Irish Constitution were concerned.

There is also more which we need to do to break down ignorance and stereotypes. I would like to see a steady development in visits and exchanges between the North and the South. I was troubled by the results of a survey recently commissioned by the Northern Ireland Tourist Board which showed that 72% of people in the Republic had never made an overnight stay in Northern Ireland. I would encourage people to come to Northern Ireland to see for themselves such things as the enormous amount of economic activity at the centre of Belfast and the regeneration of other cities such as Londonderry - not to mention, of course, the beautiful countryside. Conversely, I hope it will be possible to build on the visits and exchanges which people from Northern Ireland have been able to make to the South. At the political level, the British/Irish Interparliamentary Body - which is a creature neither of the two Governments nor of the Anglo-Irish Agreement, but which was established by the two Parliaments themselves - is vigorously pursuing a range of enquiries which often involve visits which contribute to mutual understanding.

Another key area of major scope is the development of economic links to mutual benefit between Northern Ireland and the Republic of Ireland. I have already mentioned shared interest in developments in the EC. There are in addition strong arguments of self interest for increased economic co-operation between the North and the South. Of course, there are areas where the North and the South are in economic competition. And in some respects a single European market will operate to reinforce this competition. But that should not blind us to the benefits of co-operation. Many independent observers have commented that the two economies have not yet succeeded in realising the full benefits which co-operation can offer. Even in obvious areas of competition, such as tourism, there may be benefits in an element of co-operative promotion - for instance promotion of the island of Ireland as a single tourist destination.

There have very recently been a number of initiatives which have sought to bring together businessmen from Northern Ireland and the Republic, and to improve people's mutual knowledge of trading conditions in both countries. At the national level, the International Fund for Ireland has now invested over £137 m in over 2000 projects in disadvantaged areas both North and South of the border and in many cross-border initiatives. And the North-South electricity link and the Ballyconnell Canal project are examples of what can be achieved when Northern Ireland and the Republic work together. But there is more to be done. Transport infrastructure is just one example - recently highlighted by the CBI and the CII - of an area where there is scope for further co-operative effort.

I want also to acknowledge and praise the efforts which many of you here are involved in to develop relations between people working in industry and commerce in the Republic of Ireland and their counterparts in Northern Ireland. Some of you are involved in, or have helped to encourage, the programmes sponsored by the CBI and the CII. I have heard recently of the arrangements whereby members of the Northern Ireland law society can become practising members of the Law Society in the Republic of Ireland without having to sit any further qualifying tests, and I am sure that the establishment of these kind of links between the professions, North and South, is beneficial. I know, too, of the links between charities North and South and of the number which are organised on an all-Ireland basis.

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Relationships of the sort which I have been discussing must evolve. They cannot be imposed. Rather, they will be achieved by a recognition of diversity and a willingness to accept such diversity. How fast the process of change occurs must depend on the people of Northern Ireland and the Republic of Ireland and on their representatives.

The Prime Minister, Mr Major, and the Taioseach gave a lead when they met in Dublin on 4 December. They indicated that from now on they would be meeting on a six monthly basis in order to review aspects of a whole range of common interests and problems in the bilateral relationship between the UK and the Republic of Ireland, as well as EC and international matters in which the two governments have a shared interest. They also took that opportunity to confirm the importance which the two Governments attach to effective cross-border security co-operation, and to doing everything they can to facilitate agreement on a basis for fresh political talks. In this way the two heads of Government re-dedicated themselves to the historic and uniquely close relationship between our two countries.

The relationships between the people of the Republic of Ireland and Northern Ireland which I have been discussing are central to

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the roles of the Republic of Ireland and United Kingdom as fellow members of the EC with a common land border and a unique history. If we are to achieve the goal of promoting prosperity and peace throughout the island of Ireland, it is essential that the links between Northern Ireland and the Republic of Ireland should continue to develop and flourish.

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