

Conference of the Centre for Cross Border Studies on 'Bordering between Unions'

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Chairman, Ladies and Gentlemen

It's a pleasure to join you today and to share with you some reflections on what lies ahead of us as preparations get under way in earnest for the referendum.

I should start by nailing my colours to the mast. I believe that the UK will opt to remain in the EU when its citizens vote in the referendum and I think this will be better for the UK, for Ireland and for the EU as whole. The margin may be small and this will present its own difficulties by giving Eurosceptics further encouragement, but the result will still be the lesser of two evils.

At an event like this, there is always a concern that those who speak later in the programme will be left with little new to say since many of the big questions have already been well aired.

I thought I might therefore take a personal journey back through some key points in my career and to think out loud on what these suggest to me about the changes and challenges that may face us in terms of policy making and institutional development at the level of the Union. Others on the panel and in the audience are much better qualified to speculate about the local implications of future 'in or out' scenarios. I have selected four dates that have triggered reflections on what lies ahead. These reflections are based on an assumption of the status quo - the UK stays in as a somewhat semi-detached partner and EU integration pushes ahead.

1974

I have been a public servant for most of my working life. I joined the Irish civil service in 1974 straight from university. Although I expected to be appointed to the Department of Finance, I found myself in EEC Division of the Department of Agriculture and very soon was attending meetings in Brussels at senior official and ministerial level.

I quickly took the pulse of the Department. It was buzzing with enthusiasm and excitement. Why? Because Irish agriculture had escaped from under the shadow of big brother. Instead of struggling under the weight of an Anglo Irish trade agreement heavily biased in favour of the UK, and with a cheap food policy as one of its main pillars, Ireland was benefitting enormously from the Common Agricultural Policy which at that time was founded on the principle of keeping

prices high to support farm incomes. This sense of a new beginning permeated all aspects of economic and social life.

And yet there was a certain nervousness. One year after joining, the UK was already tabling proposals for fundamental reforms of the CAP to move it away from price supports to a deficiency payments system that the UK had practiced for years. And more broadly talk of a referendum was in the air. Senior officials wondered quietly had the UK joined the Community to unravel it from within?

Reflecting on this, one conclusion is obvious. The idea that Ireland might be forced to withdraw from the EU and throw in its lot with the UK its main trading partner is fanciful. Policy makers have never considered this seriously as an option in the Republic but I have heard it mentioned in certain quarters in Northern Ireland and in Britain. For good or ill, Ireland has thrown in its lot with mainland Europe.

But to follow this train of thought further, even if the UK stays in the EU - and especially if it leaves - Ireland needs to take a look at its longer-term strategic interests in Europe. It has, in my opinion, relied too heavily on the UK as an ally on many EU issues. The two countries do have common economic and other interests in Europe, but I think our perception of these is overly influenced by the underlying cultural ties that connect us - family ties resulting from migration flows to and from the UK, a common language, a largely common media, strong commercial links, sporting ties and so on.

Ireland needs to adjust its focus as EU integration deepens. And make no mistake, the EU integration has to deepen or it will gradually wither. Various sub groupings have emerged within the EU over the years – the core Benelux group, the German/France axis, the Baltic group, the Mediterranean countries and most recently the Visegrad group. Ireland needs to connect more actively with these and other groupings.

One important example of its weakness in European networking is our generally poor ability in foreign languages. This has barely advanced in the last forty years. But more fundamentally the locus of interest needs to move more to Berlin and Paris and beyond, with less focus on London – a controversial view I accept but this is the logic of Ireland's political position.

1979

I joined the European Commission in 1979. This was also the year Mrs Thatcher became Prime Minister. My first boss in the Commission was an Italian from the Friuli region in Northern Italy. His name was Domenico Lenarduzzi . He had moved to Belgium with his family after the war. His father came to work in the mines in Southern Belgium. Domenico ended up in a youth prison at the age of 16 after getting into a fight with local Belgian boys. This turned out to be a serious stroke of luck. He got a good education in his two years in prison and then went on to qualify for entry to university. If he had not been sent to prison he would have followed his father down the mines to a very different life. Domenico ended

his career as Director General for Education in the Commission. A remarkable achievement for an emigrant from post-war Italy.

Domenico often used the phrase “nous avons mangé le pain blanc” which means literally ‘we have eaten the white bread’. What he meant was that the good times were over. He was referring to the UK’s efforts to dismantle the CAP and to reconfigure the EU budget in its favour. He felt they signalled an end to the progress in European reconstruction. He was both right and wrong!

He was right in that many efforts to move forward to a more integrated Europe have been resisted by the UK (and at times but to a lesser extent other member states) and have certainly slowed down the momentum. But this resistance has not succeeded in blocking progress and the UK has found it necessary to opt out of many new institutional arrangements that have been referred to earlier in the conference as other members pressed on.

But he was wrong because the EU has made huge strides forward on many fronts since 1979, most notably in growing from nine member states in 1979 to 28 today, something that was unimaginable 37 years ago. This has been possible because the EU has been highly flexible and adaptable in the face of each new challenge. New institutional arrangements have emerged as new challenges have been confronted.

A leading expert on EU policy-making, Professor Helen Wallace and her colleagues at Oxford University have identified five broad methods of decision-making in the EU:

- The Community method ((CAP, trade policy, EMU)
- The Regulatory mode (single market, competition, environment)
- The Distributive mode (Cohesion, the structural funds)
- Policy Coordination (Employment, fiscal policy, economic governance)
- Intensive inter-governmentalism (Common foreign and security policy, European Security and Defence Policy, Justice and Home Affairs)

Each of these emerged in response to specific circumstances. The overall trend has been to move towards a position where national governments, administrations and economic actors take a more active role in working together in policy formulation and implementation with the EU Commission having a less central place in the process. The result is a much more complex web of decision makers and processes than we started out with when the Ireland and the UK first joined. As the EU moves forward it is inevitable that this complexity will increase.

The second idea prompted by looking back at 1979 was how migrants played such a crucial part in the early days of the Commission. Domenico Lenarduzzi was a migrant. So too was my next boss a Frenchman whose family had fled Poland just before the war. Another colleague was a German who grew up in Rouen in France; his father had been a member of Von Braun’s team that developed the German rocket programme during the war. He was given the

choice of being deported to the USA or France to work on their rocket programmes. He chose France.

This reminds me how much the idea of the EU as a huge peace project pervaded the corridors of Brussels in the early days. Many of the senior officials had their own personal experiences of the horrors of the Second World War. They were driven by a deep sense of idealism. Inevitably, as time went on this idealism waned. Personal and collective memories of the war years faded.

It is probably wishful thinking to imagine that we can re-ignite the idea that the EU is fundamentally a peace project at heart. This idea would probably be considered wimpish! Ironically, it may be the increasingly aggressive posturing of our big neighbour to the East – Russia – that will be the galvanising force that pushes the EU member states closer together. Also, the migration issue will eventually have to be dealt with by member states working closely together, rather than by the beggar my neighbour approach that now largely prevails.

1989

Moving forward to 1989, I returned to Brussels after a number of years back in Ireland. I had been sent to Ireland as part of an agreement under which, at the request of the Irish and UK governments, the Commission agreed in 1983 to assign a Commission official to take on the job of managing the then fledgling cross-border organisation Cooperation North. I would argue, although of course I can't claim to be totally objective, that many of ideas on practical cooperation between the Northern Ireland and the Republic were spawned by research we commissioned in the early years of that organisation - on tourism, energy, industrial development, agriculture, transport, health, and education. But that's a subject for another day!

As part of the huge expansion in the Structural Funds in 1988, the Commission had decided to fund a programme of cooperation between border regions throughout the EU. When I returned to Brussels in early 1989, I was asked to take on the job of developing this programme, based on the fact that I had been involved in cooperation at the coalface in Ireland. Initially given the name 'Frontiers', we decided early on to change the name and indeed the concept. The initial emphasis had been on breaking down borders but we realised this was causing uneasiness among national authorities so we shifted the emphasis from removing borders to building bridges and changed the name to the more neutral Interreg. Twenty-five years later Interreg is now the largest EU programme funded under the Structural Funds and spans all the internal and external border regions of the Union.

When working on Interreg I was struck by how strong resistance to change can be. Resistance to Interreg came not from people on the ground who stood to gain from efforts to foster practical cooperation, but at the level of national officials who saw any move in this direction as a threat to their own authority and power. One of our aims in developing Interreg was to push the concept of cross-border Euro regions to which block grants would be provided directly and cross-border activities would be funded from a common pool irrespective of where the

activity was located. But it took many years and much pushing from the Commission for member states to move towards this concept and away from the practice of dividing the funds from Brussels into their respective national shares and managing them according to national priorities rather than by priorities driven by the needs of border regions themselves.

This resistance to change persists. When the Commission drew up proposals for the EU financial perspectives for the period 2014-2020, it proposed that there should be a substantial simplification of how the Structural Funds are managed. As the negotiations progressed national officials watered down these proposals.

This may seem a relatively obscure point. But in my experience, both at the Commission level and through working with organisations on the ground in recent years, the only practical interface with EU activities that many citizens experience is through EU funded programmes like Interreg, Leader, Horizon, Erasmus, and so on. The perception of the EU is often of a distant unyielding bureaucracy, yet most of the bureaucracy arises because of management arrangements introduced at national and regional level, not in Brussels.

To counter this, I believe the EU needs a major effort of Europeanization of national officials through a large-scale programme of exchanges between national administrations modelled on the present system of sending officials to work as national experts to the EU institutions. I would go as far as to suggest that one of the criteria to apply to appointments above a certain level in national authorities is that candidates should have spent a minimum period working in the administration of another member state. This may sound a little crazy to some of you but it is the logic of setting as an objective an “ever closer Union”.

1996

My final recollection goes back to 1996. It was the year the BSE crisis broke, a crisis that shook the EU to its core at the time. The Commission was seen as colluding with some member states to keep the real facts of the growing BSE threat under wraps (notably Ireland and the UK). As a result the Commission led by Mr Santer had to resign, ostensibly because of fraud by a Commissioner at the time (that was never proven) but the real reason for the Commission’s demise was the damage to its reputation caused by its flawed handling of the emerging BSE scare.

The crisis led to a fundamental rethink of how the Commission fulfils its role in ensuring that the rules and standards in the single market are respected. The problem was and is that the member states do not trust each other to apply agreed EU standards without fear or favour. The Commission as an independent arbiter with no national allegiance is the only body that can do this in an even-handed manner. But it needed to do this in a more transparent and professional way. Pandering to the interests of certain member states on BSE had been a serious mistake. In the case of food safety it led to the setting up of the Food and Veterinary Office with a very strict set of rules on how it monitors the application of EU law in this area. I was Deputy director of FVO for the final part (of my career in the Commission. It is now based just outside Dublin with a staff of 200

EU officials who travel the world auditing the food safety standards of EU member states and of countries outside the EU that supply food to us.

What this experience underlined is that to have a single market means common standards - and it is the member states themselves who push for these often to an excessive degree. But who enforces these common standards? The idea that member states should themselves be responsible for policing these standards just doesn't work because there isn't a sufficient level of mutual trust. So the talk of less interference from Brussels is often misplaced.

Brussels interferes not in spite of member states but at their behest. The UK wants to push ahead with the extension of the single market to financial services and other services. This will require even more 'interference from Brussels'. It's not possible to have more single market and less interference because this interference is the condition member states themselves impose in order to agree more market liberalisation.

Conclusion

We were prompted by the conference organisers to provoke you into thinking about the awkward challenges ahead as we move beyond the referendum. I have outlined what I think some of these might be, drawing on my experience of working in one of the EU institutions for 30 years.

For those who are committed to deepening the EU, it means more Europeanization, less zero sum game thinking on the part national politicians and officials (and many others), more organisational complexity, the European Parliament becoming a stronger advocate for the EU and becoming more accessible to its citizens, the Commission taking a less important role in policy formulation and being pushed to take on more the functions of EU regulator; it will also involve increasing pressures from outside the EU whether these be political, economic, military, social or cultural.

How can European countries best handle these pressures - by fragmenting and dealing with them according to national priorities or by standing together to work in the common interest? That in my view is the central question facing the people of the UK in the forthcoming referendum. As one very senior Commission official said to me recently "the world is run by the big power blocs; if your not one of these you are irrelevant"!

Thank you for your attention.