Sinn Féin, Democracy or Dependency (1992)

Caption: In 1992, Sinn Féin, Irish nationalist republican party, warns the Irish people against the disastrous effects of the Treaty on European Union and calls for them to vote against the treaty in the referendum to be held on 18 June 1992.

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Sinn Féin: Democracy or Dependency

Section 1
The aims and objectives of the Maastricht Treaty.

The EC was established on the basis that the common interests of the member states would be best served by closer economic ties. The Maastricht Treaty is the third EC treaty aimed at forwarding that economic process. It was preceded by the 1957 Treaty of Rome and the 1987 Single European Act.

The Maastricht Treaty is essentially a series of amendments to the two existing treaties mentioned above. It is designed to initiate the final stages of the EC's move towards European Union. The process has been broken into three stages, developing European Commission president Jacques Delors' original plan.

While involving political and economic processes, European Union is also the product of a political ideology, the essence of which is that the European Community is a vehicle for the creation of an economic and political superpower.

Sinn Féin believes the real question is whose interests are served by the closer economic ties that have developed over the last twenty years? Is it the interests of workers or the corporations that have developed and streamlined their operations to the EC open market economy? Since the entry of the 26 Counties into the EC we have in our economy created substantial economic growth. In the years 1972 to 1979 total employment increased as the economy moulded itself into newly accessible Euromarkets. Farming co-ops amalgamated, creating a corporate agro-industry, multinationals came to set up subsidiaries. Road, gas and telecommunication networks were set up to complement this process.

How are Irish workers in 1992 benefiting from these closer economic ties? The Maastricht Treaty will not legislate for a minimum wage for workers, the much vaunted social charter aspect of the Maastricht Treaty has been scaled down and Britain has got a derogation from that aspect of the Treaty.

The following sections in this pamphlet examine the various sections of the Maastricht Treaty asking who gains. Is it the workers, the peoples of Europe or is it the businesses, corporations and financial institutions who themselves readily endorse the Maastricht process?

Section 2
The economics of Maastricht

Section 2.1
An Open Market Economy

In order to "assert itself on the international scene", the Union proposes the creation of an internal market, economic and monetary union (EMU) and the eventual establishment of a single currency. The aim of this economic harmonisation is to maximise what the European Commission calls the "Community's macroeconomic performance". The Commission claims that the internal market will "foster the emergence of truly European companies, with structures and strategies that are better suited to securing a strong place in world market competition" (1).

The internal market will be an "open market economy" with "free competition". In 1988 the Commission predicted a possible 7% growth in the Gross Domestic Product (GDP) of the Community after economic union. They claim that 7% growth will mean 2 million extra jobs in the community. The Commission also claims that the 7% growth in output and production of goods and services will result from the "large potential for rationalisation of production and distribution structures leading to improvements in productivity".

Sinn Féin believes there is an obvious conflict between job creation and rationalisation. The proposed creation of a common commercial policy and the elimination of trade barriers between states will lead to economies of scale enabling the combined community economy to achieve higher output levels. There is however no guarantee that this will mean an increase in employment in Ireland or the 26 Counties. In fact it could easily mean the opposite as production facilities move from Ireland to other EC states.

The 26-County "White Paper" stresses the benefits of membership of the EC, emphasising repeatedly the "free access to a market of 340 million people". The "White Paper" points out that "total exports to our European partners represents 42% of 26-County GNP, more than three times the community average of 13%". The EC takes over 75% of the 26 Counties' total exports. Sinn Féin believes it would be naive to believe that this trade imbalance between the 26 Counties and the other member states will continue. To suggest that we can derive a greater share of EC markets after 1992 is a dubious proposition.

Section 2.2
Economic and Monetary Union (EMU)

EMU involves the 26-County government committing itself to a series of stringent economic policies. This is to create the conditions for the fulfilment of another of the core aims of the Maastricht Treaty, price stability across the member states. Price stability, it is argued, will make production of goods and services more efficient as producers will be able to plan their output more efficiently. EMU involves:

(1). A two year observance of the 2.25% band of the Exchange Rate Mechanism (ERM). This means we cannot devalue or revalue our currency during this period. The 26 Counties has managed to observe the exchange rate criteria since 1990.

(2). A rate of inflation that does not exceed by more than 1.5% of the average three best performing member states.

(3). A yearly government deficit (Public Sector Borrowing Requirement) which does not exceed 3% of each state's GDP.

(4). A state's debt/GDP ratio cannot exceed 60%. In 1987 we had a 117% debt GDP ratio. In 1991 Bertie Ahern claims that the ratio was 95% (2).

Sinn Féin states that committing an economy to these policies restricts each state's ability to react to the economic problems that may arise in their state. Many states run high short run inflation rates to boost their economies and lower unemployment, this will not be possible under EMU. Other states use borrowings to invest in their state. In the 26 Counties this was done in the 1980s for Telecom, the gas pipeline, the ESB, Irish Steel and other industries. Under EMU we could be restricted from long term borrowing to reinvest in our economy. As it is the 26-County economy has to raise foreign loans to create capital investment, within the EMU constraints we would be even more dependent on EC funding. Funding which is planned in Brussels not in Dublin. Brussels having ultimate control where the money is spent.

The 26 Counties has been observing restrictions 1 to 3 while moving towards fulfilling its obligations under 4. The European Commission have decided not to set a ceiling for each state's unemployment rate. Unemployment has been deemed not to be a factor involved in EMU. The EC has also emphasised that there will be no "bail outs" and "no monetary financing" with the beginning of second stage EMU on January 1st 1994. Sinn Féin asserts that the implication of this could mean rising job losses, higher emigration and a decrease in Irish living standards.

Though EMU will hamper an individual government's ability to act, it will not hamper the actions of the businesses within an economy. If a recession hit the open market Europe, the European employers would adjust by shedding workers through layoffs or redundancy. Member states would then be left to pick up the social welfare bills, while business would not have to bear this cost. Sinn Féin maintains that in fact businesses would put pressure on the governments to reinvest funds in the economy before dole payments. Charlie McCreevy, the 26-County minister for Social Welfare, announced on May 20th at a conference of European Social Security ministers in Limerick that "Social Welfare payments are draining the economy and cannot be maintained indefinitely" (3).

Euro businesses will bear no responsibility for the European economy yet they stand to gain the most from the creation of an internal market. Sinn Féin have already mentioned that the 26-County economy is adhering to the EMU criteria, yet there has been no benefit for the 26-County worker, in fact more workers are unemployed than ever before.

The increase in unemployment in the 26 Counties over the last two years has been blamed on returned emigrants from Britain. Their return is due to the recession in Britain. In an open market economy Irish workers will we are told be able to move from state to state, yet the experience of the last two years has shown that if a recession hit the European economy the 26-County economy would be worse off as jobless emigrants would return to the 26 Counties. Sinn Féin maintains that because EMU does not involve fiscal union, the 26-County economy would have to pay dole for people who had been made redundant in a foreign economy. The businesses in each economy would pay nothing.

Section 2.3
26-County unemployment and the EC

Unemployment in Ireland has increased by over 400% since our entry into the EC. It rose from 74,000 in 1972 to just over 280,000 in 1992. Raymond Crotty has highlighted that between 1952 and 1972 unemployment fluctuated between 51,000 (1952) and 78,000 (1957) (4). The present level of unemployment is the highest percentage level in the EC and more than double the EC average unemployment figure.

This unemployment has grown as 26-County exports and GNP has grown. The 26 Counties is producing and exporting more goods since EC entry (the 26-County share of markets is highlighted above) but it has not resulted in extra jobs over the last twelve years. In the years 1972 to 1979 total employment grew in the 26 Counties but in the years since 1980 total employment is stuck near its 1980 high of 1,150,000 people (5). Since then unemployment has increased from approximately 80,000 to its present high of 280,900 (6).

In the Irish economy employment opportunities are centered in the eastern and urban population centres. Sinn Féin views seriously the prospect that in an EC single market Ireland would undoubtedly become the peripheral region. Employment opportunities would decrease in Ireland and the trend of high emigration would continue. The current imbalances within Ireland between west and east would be repeated on a larger scale within the EC, Ireland as a whole then losing out.

European Union is then a rationalisation of the twelve member states economies into one giant productive unit that will be a force in world markets. Sinn Féin believes that the basic aim of the Maastricht Treaty is to bind the 12 member states into this process of becoming an economic, political and military superpower. The emphasis on social policy and economic cohesion is a poor smokescreen for the real objectives.

The 1992 Culliton report on the 26-County government's industrial policy points out that the Single European Market carries both "opportunities and threats". The "opportunities" have already been covered in this pamphlet. The threats according to the Culliton report are that "the enlarged market will create a greater concentration of economic power and activity in the European industrial heartland, leaving Ireland on the periphery". They also point out that Ireland's position in the UK market could be threatened. The Culliton report believes that the 26-County economy will survive through ensuring that EC anti-monopoly policy is in place, and secondly through EC funding.

It is fundamentally wrong then to emphasise that the solution to chronic unemployment in the 26 Counties lies in European union. There are no more large scale multinational employers waiting to come to Ireland. Foreign companies that have set up in the 26 Counties to avail of the single market have only moved the minimum operations necessary to gain access to the European market.

The globalisation of world industry means that European workers are being undercut by labourers in Asia, and other developing regions. Successful European manufacturers are replacing workers with machinery on an ongoing basis in order to maintain some competitive advantage. The USA is an example of a multi-state economic and monetary union, where large proportions of their production facilities have been moved to regions outside of the union. Many of the major 'American' car producers had no qualms about moving operations out of the USA into other regions and then those car manufacturers import the cars back into the American economy, there is no guarantee that this would not happen to the EC.

This leaves the Irish worker in a weak position. The 26-County government plans to enter a European Union not knowing whether it will actually benefit the economy. The state has a chronic unemployment problem and the coalition government's reliance on pursuing EC dictated economic policies means that there is nothing to inspire confidence. Why is a state's unemployment level not part of the EMU criteria. The pursual of EMU has no relevance for Irish workers and they will not benefit from European Union.

Section 3
A European Superpower — the end of Irish neutrality.

There are two interpretations of the EC's Common Foreign and Security Policy (CFSP); one is the interpretation used by 26-County diplomats and coalition government ministers, the other is the interpretation used by the other member states.

In the Common Provisions of the Maastricht Treaty, we are told that the European Community will be now called the European Union. The objectives of the Union are to: "*assert its identity on the international scene, in particular through the implementation of a common foreign and security policy, including the eventual framing of a common defence policy*"(7).

The Dublin government "White Paper" claims that "the European Community has always been more than an economic grouping". The "White Paper" sees the EC as the way to overcome age-old European rivalries and to contribute to world peace. Our other European partners see the CFSP as the first stage to creating a European NATO. This will happen through the Western European Union (WEU); the 26 Counties is not a member of the WEU.

Sinn Féin maintains that there is a fundamental contradiction between the Treaty and the Dublin government's interpretation of it. The Dublin government has decided to accept and present to the public the economic and monetary objectives as binding exactly as they are written in the treaty, however they offer their own interpretation of the Common Foreign and Security Policy's (CFSP) objectives.

The "White Paper" focuses on the CFSP provisions to "preserve peace... in accordance with the principles of the United Nations Charter" etc. However Article J2 allows the Council to define a common position and binds individual nations to uphold their common decisions. Article J3 outlines the procedures for adopting joint action. Once a joint action has been decided by consensus further decisions can be taken by qualified majority. Individual states cannot "impair" the "effectiveness" of joint action.

The government "White Paper" bypasses article J4 of the CFSP which "requests that the Western European Union (WEU), which is an integral part of the development of the Union, to elaborate and implement decisions and actions of the Union which have defence implications". The "White Paper" downplays the WEU though it does admit that the CFSP "allows for the development of closer cooperation between individual member states in a WEU or NATO framework".

The "White Paper" tells us that Irish attendance at WEU meetings is not required by the Treaty. However, the WEU will have the power to "elaborate and implement" CFSP decisions. We will not be members of a body which will implement CFSP decisions in our name. The Dublin government is claiming that Irish neutrality is saved by non-membership of the WEU. Yet the Dublin government will, as the Treaty stands, be linked to all military and defence decisions taken by the EC.

The "White Paper" also glosses over a declaration on the CFSP which accompanies the Treaty.

<u>Declaration on voting in the field of the Common Foreign and Security Policy</u>: "*The Conference agrees that, with regard to Council decisions requiring unanimity, Member States will, to the extent possible avoid preventing a unanimous decision where a qualified majority exists in favour of that decision*."

This declaration binds member states not to block a unanimous decision when a majority exists for a particular action or proposal. The European parliament is also precluded from taking a role in defence policy. This effectively weakens the claim by the Dublin government that joint action can only be taken by a unanimous vote of the council of ministers.

The 26 Counties and Britain are the only states which do not have conscription. Sinn Féin maintains that it is quite feasible that conscription could be introduced by either a qualified majority or through use of the declaration above. Irish citizens who become Euro citizens on ratification of the Treaty could be forced to become Euro soldiers.

The Dublin government claims that the negotiation of a common defence policy will not begin until 1996, but the Maastricht Treaty contains the necessary provisions to form a common defence policy without Irish approval before 1996.

Section 4
European institutions — the erosion of democracy.

The European Commission — the 13th EC State.

The years since the 1957 Treaty of Rome have seen the development of a complex series of EC institutions and power structures that have superseded national parliaments and the rights of ordinary citizens. This in 'Eurospeak' is called the democratic deficit. The most powerful of these anti-democratic bodies is the European Commission, which is essentially the bureaucracy of the community.

The Commission's tasks are to propose draft Community laws to the Council of Ministers and European Parliament. It has the task of implementing Community laws. The Commission also controls the diffusion of EC funds. It has emerged as a power structure in its own right. It has developed its own political ideology, it has a seat at all EC negotiations and is often the driving force behind EC developments.

The Commission through the implication and control of EC funding has tangible economic power greater than many of the poorer states and regions within the EC. The Commission is just one of a number of EC institutions. Sinn Féin believes that under the Maastricht Treaty a series of new institutions will be created eroding further the power of nation states, and regional councils the role of whom the EC and especially the Commission claims to defend.

Section 4.1
The European System of Central Banks (ESCB) and the European Central Bank (ECB)

The ESCB will be established with the beginning of the third stage of monetary union. It will be the joining together of the member states' Central Banks and will be governed by the European Central Bank (ECB).

The Treaty specifically guarantees the "independence of the ECB and ESCB". These two independent and unelected institutions will be responsible for the implementation of EC economic and monetary policy. Like the European Commission they will be able to formulate their own policy positions and ultimately have a greater influence on EC economic and monetary policy than an individual member state.

The ECB is responsible for issuing notes and coins. It will have the sole authority within the EC to do so. Individual member states will not be allowed to issue notes or coins. The primary objective of the ECB will be the maintenance of "price stability" which is one of the aims of EMU. The ECB will be given funds of £38 billion, £300 million from the 26 Counties (8). Sinn Féin believes that giving the ECB huge monetary power means that it could dwarf the economies of the smaller member states.

Within the EC there is intense lobbying from Germany to have the ECB located on German territory. The fact that the location of the ECB is an issue at all is a guide to the substance of its importance and potential power. Bertie Ahern described the Irish economy as being "dominated by the Bundesbank" in a newspaper interview. Ahern did not believe that the ECB could dominate the Irish economy. Instead he was prepared to believe that the ECB would act "democratically". The "sovereignty loss would benefit us" says Ahern. The autonomy of the ECB would guarantee more democracy, though he has not explained the specifics of how this would work (9).

The European Investment Bank (EIB)

The EIB will be established under Article 4 of the Maastricht Treaty. Its role like those of other Euro institutions is to promote economic and social progress. It is essentially an EC loans bank. However it is again an independent body funded by EC statute. The "White Paper" barely mentions this institution which will have the power to define and implement Community investment policy. It will have an investment budget bigger than many of the EC member states.

The EIB also has the power to "reconsider its lending policy" to member states whom it considers to be pursuing economic, monetary and budgetary policies not to its liking. It can refuse to grant loans, it can force national governments to pay penalty interest rates, it can impose fines if a government's budget deficit is outside the scope laid down within the Maastricht Treaty (10).

Section 4.2
Committee of the Regions

The Committee of the Regions is the ideological vehicle of the European Commission, it is their creation designed to bypass the national parliaments which the Commission regards as redundant. It offers individual regions a means to bypass their national parliaments and access EC funds directly. The "White Paper" describes the Committee as "a new consultative body established to consider the growing volume of Community legislation and initiatives which have a direct bearing on the regions of the member states".

The Commission will enable the Committee of the Regions to become a powerful body by granting its requests for aid. It is an unelected body and regions will ultimately be enticed to disregard the elected bodies within their own state in favour of the Committee which will tap EC funds which would have gone to the states anyway. Sinn Féin believes that it will not mean any extra funding in the long term.

Section 4.3
Economic and Finance Committee, Monetary Committee.

A Monetary Committee will be set up on ratification of the Maastricht Treaty. Its role is to "keep under review the monetary and financial situation of the member states". Each member state will appoint two members to the Committee which will ultimately formulate the monetary policy of the Community. It will be replaced with the Economic and Finance Committee on the adoption of a single currency.

These committees will all come under the wing of the European Commission ultimately distancing national parliaments and elected representatives from the Community decision making processes.

Section 5
Irish agriculture and the EC

The "White Paper" claims that "the Irish agriculture and food industry is of central importance to the EC". It outlines the original aims and objectives of the Common Agricultural Policy (CAP), some of which are outlined below;

— increase agricultural productivity.

— ensure a fair standard of living for farmers.

— stabilise agricultural markets.

— ensure reasonable prices for consumers.

— keep the maximum possible number of farmers on the land.

The actual experience of 26-County farmers over the past twenty years has shown that the CAP has failed to fulfil its objectives. Figures from Teagasc show that in 1990 the average farm income was £6,500. 60% of farmers had incomes from farming of less than £5,000 and 20% earned farm incomes of over £10,000. Farm incomes fell by just over 10% in 1991 (11).

There are 149,000 farmers in the 26 Counties, less than 90,000 should be considered "commercial farmers". Teagasc estimated in February 1992 that approximately 5,000 people will leave the land in 1992. In 1983 there were 39,200 holdings with 1-9 dairy cows, which between them had 9.3% of the national total (12). By 1989 two thirds of dairy enterprises of this size had been wiped out. The CAP favoured large farms where the magnitude of production was large. Smaller farmers, who make up the majority of the farming population, experienced no change or were worse off.

The benefits that would accrue to Irish agriculture were the main economic arguments behind EEC entry in 1972. The CAP accounted for 62.9% of EC expenditure in 1989. The Commission now wants to cut the Community's overproduction of agricultural products. This expenditure will be cut by at least 30% over the years 1993 to 1996 (13).

The MacSharry plan finalised by the European Commission in May 1992 envisages 15% of the land used for cereal production being "taken out of production". Intervention beef prices will be cut by 15%. Milk intervention prices will be cut by 10%. Farmers will be paid monetary compensation not to produce!

Sinn Féin believes that this practice of compensation cannot be envisaged on a long term basis. The agricultural export markets that are emphasised in the "White Paper" will be reduced significantly. The £620 million headage payment plan agreed in May 1992 is not guaranteed in the long term. The next round in the General Agreement of Tariffs and Trade (GATT) negotiations will see protests from the USA over the payment of compensation. Irish farmers could be sacrificed in order to reach a GATT agreement.

EC membership and the CAP have created an agro-industry in Ireland which favours large farmers, and dependence on subsidised shrinking markets. This agro-industry has created considerable wealth. There are 7 food companies in the top 25 Irish companies (14). The development of an agro-industry has managed to create more wealth, processing our agricultural food stuffs.

However the employment opportunities created in the food industry do not offset the continual depletion of farmers. The corporate co-ops that have developed to exploit the Euro market are dependent on the CAP and high food prices. There is no proof that their development is to the benefit of Irish agriculture in the long term. Sinn Féin believes that the continual depletion of farmers and increasing rural unemployment have shown that there has not been a diffusion of the CAP into the whole agricultural community.

Now 20 years on, Irish farmers are being paid not to produce food and instead are being directed towards agri-tourism. Farming land is being taken out of production while imported foodstuffs are amassing on Irish supermarket shelves, foodstuffs that could be grown and processed here. The 32 Counties must be viewed as one agricultural unit, not part of a European farm. Sinn Féin maintains that the CAP has not fulfilled its objectives and Irish agriculture has suffered under it.

Section 6

Irish unity and the EC

In 1972 Charles Haughey made the proposition that the EC could provide the means to reunify Ireland. In 1992 this Irish unity angle is again being proposed as one of the spin offs of endorsing the Maastricht Treaty. It is a fundamentally flawed theory. Economic and social cohesion is one of the aims and objectives of the Maastricht Treaty, however no EC plans exist to redress the years of economic division between the 26-County and Six-County economies.

Instead we are told by John Hume that "the nation state has outlived its usefulness". However an economic Irish nation state has been forcefully segregated for almost three hundred years. Economic division and disproportionate economic development, and the accompanying discrimination created, is at the heart of the conflict in Ireland today. The EC has not recognised the need for democratic economic convergence on an island scale, offering instead promised economic convergence in the EC as a solution.

Sinn Féin believes the borderless Europe will not offer national unity to Ireland. What it does tentatively suggest is the formation of an EC sponsored, London-Dublin joint authority. The new funding of the Dublin-Belfast railway line is an element of this selective policy. The proposition is to create an "island economy" with a common financial system and one stock market linked to the London Stock Exchange (15).

The completion of the internal market would augment the process by eradicating the excise and taxation differences between the 26 and 6 Counties. The EC would offer to sponsor grants to selected projects which encouraged cross border trade in selected areas such as a Dublin-Belfast trade link. Accompanying the promise of selective funding is the carrot of some sort of unspecified legislative decision making body for the Six Counties.

The military border would remain, the British army fortification and the closed roads would remain. The island economy plan favours a north-south economic corridor on the east coast of Ireland. Fermanagh and Tyrone would remain isolated from the south and the already depressed local economy would have to appeal to the EC for funds.

Both the Six Counties and the 26 Counties have been declared EC disadvantaged areas. Sinn Féin asserts that there is no sign that the European Commission proposes to consider the two areas as one real economic region. Instead with Dublin and London compliance they will introduce piecemeal their banker controlled partitioned, undemocratic "island economy".

Currently the 26-County government spends more on border 'security' than it does on job creation. Ray Burke admitted in January 1992 that the state had spent more than £2 billion on 'security' over the last twenty years. Costs in 1991 would be, Burke said, in the order of £180 million. In 1990 the IDA spent just over £100 million pounds on job creation. The concentration of precious resources on border security shows that the 26-County government have no real plans to use Maastricht as a back door method to unification.

The Sinn Féin document "Towards a lasting peace in Ireland" emphasises the role that the European dimension could play in creating the conditions for lasting peace in Ireland. The document states that:

"Within Europe there is popular consensus, reflected even by some governments, that Irish reunification is not only inevitable but a prerequisite on the road to a durable peace. It is essential that the Dublin government galvanise that opinion and translate it through the political mechanisms of the EC into practical proposals.

"Towards a lasting peace in Ireland" emphasises that the political and economic transformation of Europe provides a golden opportunity for Ireland to finally resolve its British problem and embark on a process of economic and political reunification and transformation to the benefit of all its people. Sinn Féin calls for the Dublin government to commit itself to this process.

Section 7

Conclusion

Sinn Féin urge a No vote on June 18th because:

There is no guarantee that the creation of an internal market of 340 million people will mean an increase in employment in Ireland. Already the total exports of the 26 Counties to the EC are three times the Community average. To suggest we can derive a greater share of EC Markets after 1992 is a dubious proposition.

EMU involves the 26 County economy committing itself to strict monetary and economic policies that limit the state's ability to act on economic problems. The fact that after the second stage of EMU on January 1st 1994 there will be "no bail outs" and "no monetary financing" restricts further the democratic right of nation states to formulate their own economic policies.

Though EMU will hamper individual states' ability to act, it will not hamper the actions of the businesses within the Euro economy. Euro businesses will bear no responsibility for the European economy yet they stand to gain most from the creation of an internal market.

Unemployment has increased by approximately 400% since our entry to the EC. The present level of unemployment is the highest percentage level in the EC and double the EC average. The increase in exports and domestic GNP has not resulted in extra jobs over the last twelve years. In an EC internal market Ireland would become the periphery. Employment opportunities would decrease in Ireland, moving to the continent and the trend of high emigration would continue.

The Maastricht Treaty contains the necessary provisions to form a common EC defence policy without Irish approval. The declaration on voting in the field of Common Foreign and Security Policy binds member states not to block majority decisions of the Council of Ministers. The 26 Counties could be committed to a joint EC military action without giving our approval.

The formation of a range of new institutions and EC committees proposed under the Maastricht Treaty weakens the role of national parliaments. There are no elections to these EC institutions, thus distancing national parliaments and elected representatives further from Community decision making processes. The power and role played by the unelected European Commission shows that these committees can have tangible economic power, greater than many of the smaller states and regions of the EC.

Irish agriculture has suffered under the EC. The CAP has failed to fulfil its objectives. Farmers are leaving the land in greater numbers, average yearly farm incomes are only £6,500. The CAP has only benefited a small section of the farming community. The continual depletion of farmers and rural unemployment have shown that there has not been a diffusion of the CAP into the whole agricultural community.

The creation of an internal market in the EC will not make the British military border in Ireland meaningless. The creation of an undemocratic "island economy" will not end partition. A lasting peace in Ireland can only be created by having the resolve to embark on a process of economic and political reunification and transformation to the benefit of all Irish people.

Notes and References

(1) From the "European Economy", Vol 35 1988, page 20. "European Economy" is a quarterly journal published by the European Commission.
(2) EMU criteria are contained in chapter four of the 26 County "White Paper" on European Union.
(3) "Irish Press", Thursday May 21st, 1992.
(4) From Raymond Crotty's "Time to Say No", (1992) page 7. His source is the Central Statistics Office.
(5) 1991 Labour Force Survey. Total at work in 1991 was 1.121 million. 1980 figure comes from "The Macroeconomy of Ireland" (1990) by Leddin and Walsh.
(6) Unemployment figure is for April 1992.
(7) Article B of the of the "Common Provisions of the Maastricht Treaty".

(8) From the "White Paper", page 56.
(9) Ahern's comments were from an interview in the "Sunday Business Post", May 17th 1992.
(10) These functions of the EIB are laid out in Article 104c of the Maastricht Treaty.
(11) From the "Irish Times", Thursday February 13th 1992.
(12) From "Farming Collapse: National Opportunity" (1990) by Raymond Crotty.
(13) From EC Agricultural Commissioner Ray MacSharry's 1991, CAP reform plan, ratified on May 21st 1992.
(14) From the "Sunday Tribune", December 29th 1991.
(15) The term "Island Economy" was first used by Co-operation North in a 1992 report on the potential for integration of the two financial systems in Ireland. George Quigley, chairperson of the Ulster Bank took up the issue and proposed an island economy as described above, at an address to the Confederation of Irish Industry in March 1992.
Albert Reynolds then welcomed the plan at the Fianna Fáil 1992 ard fheis.