

"A SINGLE MARKET IN IRELAND"

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OF THE

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I have often said that completion of the European internal market - the 1992 process, as it is more widely known - will wreak greater change in Ireland than the Anglo Irish Agreement or any other likely political development in the foreseeable future. It will bring about the greatest single change in relations within the island of Ireland since partition and the greatest change in relations between this island and the outside world since we joined the European Community in 1973.

The completion of the internal market is only one dimension of a transformation which is now inexorably and irreversibly under way in the European Community and which is leading towards the creation of a single political and economic entity. However sceptical the British may be, political union in Europe is firmly on the agenda and the European partners are deadly serious about it. All of the various elements which go to make up a single political and economic entity are being moved into place. Absolutely free movement of goods, services and labour are the ingredients of a single market. But discussion is also going on in relation to harmonising standards, harmonising taxation systems, including personal taxation, harmonising social security systems, the creation of a single currency and the creation of a community wide code of common rights - rights to certain standards of health care, to certain standards of educational provision, rights of workers in the workplace - in fact a code of rights in every sphere of life, which will be the entitlement of every citizen of the European Community. Economic and social

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integration on this scale must lead to the development of integrated political institutions in order to realise democratic control.

I say all of this in order to establish the complete context in which we have to look at our future in this island. I say "our future" deliberately, because we are going to face the same future and we have no option but to face it together and on the same terms. We will, however, shape it more successfully to our advantage, the more we cooperate in exploiting our common strength and dealing with our common weaknesses.

Thankfully, people in the business world are largely unencumbered by history or the baggage of past tribal conflicts. Instances of cooperation and amalgamation in business and industry between the two parts of this island, are multiplying in number and in scale. One only has to look at the food sector to see the truth of that - the number of meat plants in the north that are in southern hands and the moves going on in the dairy coops. And that commodity so dear to many Irish hearts - whiskey - which is produced in a variety of forms in both parts of the island is now jointly marketed throughout the world. Timber processing plants in the north are extending their interests all over the country. The new pulp mill which we hope to see established very soon in Derry, will absorb off-cuts and rough wood from all over the northern half of the island.

We are rapidly becoming one economy. And that trend will accelerate as Europe integrates, because it makes sense for businesses in both parts of the island to gear themselves on an all - Ireland scale, in order to face the challenge of competition in the single market.

One of the major advantages we have in dealing with the outside world is the enormous fund of goodwill that exists for Ireland and the Irish all over the world. Quite apart from the large expatriate Irish communities in the States, Canada, Australia and elsewhere, who naturally feel goodwill towards the old country, the plain fact is that we are well-liked as a people, almost everywhere. An English businessman, who is on the board of a very large Irish company, was interviewed by Gay Byrne a couple of years ago. He contrasted the cool reception which he got when 'abroad' in the company of English colleagues, with the warm and cooperative reception he received in the company of Irish colleagues. He expressed surprise that we don't make more use of such a valuable commodity and at the fact that we denigrate ourselves so much when in fact we are held in considerable esteem across the world.

That goodwill is a major advantage in doing business abroad. It is also a major source of strength in our search for inward

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investment which is so badly needed if we are to tap the full potential of this country and create work for all its people. A prime example of what can be done is the McCarter - Fruit of the Loom initiative in the north-west which has huge potential in both jurisdictions, spinning the yarn in Derry and knitting, dyeing and making it up in Donegal for the European and world market.

But it wasn't just goodwill which generated that investment. We have solid advantages to offer investors. We are the first stop on the way from America to Europe and we offer the most convenient entry point into the European market which is now the biggest in the world. We speak the same language as Americans, have an extensive common cultural heritage and the same broad social and political values. We have a relatively clean environment, a beautiful and uncluttered country and an educated workforce.

I spend a considerable amount of my time every year talking to American business men persuading them to look at Ireland as an economic "aircraft carrier" for American business in the European Community. Most of you will have heard of Derry-Galway-Boston Ventures. Already efforts are being made elsewhere to emulate that enterprise. It is another example of how we can build on our strength, for our common advantage.

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We have, however, major weaknesses which we are going to have to face up to. The level of language skills in this island is the worst in Europe. If we do not face that we are going to be handicapped unnecessarily. And I do not have to tell this audience that the violence in the North and the political uncertainty there, creates a negative image which affects the whole country. Solving that problem is the absolute priority of my party, because until it is solved we have a ball and chain around our ankles.

In fact the economic problems and disadvantages facing both parts of Ireland are very much the same. Scarcity of jobs, resulting in unemployment and the emigration of many of the best of our young people, distance from markets for our produce, the under-employment of small and medium size farmers throughout the disadvantaged areas of the country and deeprooted poverty in a large section of the population - these problems are common to both parts of the island. If we are to solve them, then I believe we need to develop long-term strategies and there is a compelling argument for a joint approach. Professor Kieran Kennedy of the Economic and Social Research Institute argued powerfully for such an approach, at a Conference held by my

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party in Derry last September on "Interregional Cooperation for Development at the European Periphery". He took the view that cooperation in several of the areas listed in the INTERREG initiative, for instance should properly be considered in a broader North-South context, rather than merely on a local cross-border basis. If we were to produce "a more comprehensive approach on an all-Ireland basis it would be influential in securing and maintaining an adequate level of support from our EC partners for our own efforts", he concluded.

In fact the recent excellent study "Ireland in the European Community : Performance, Prospects and Strategy" is an exercise which should have been replicated in the North and preferably as prelude to a joint study.

In spite of the pessimistic views that one hears in some quarters, there is still reason to believe that the completion of the internal market will lead to substantial growth. A relatively recent study in the "Economist", for instance, suggests that growth of Community GDP will be far greater than even the Cecchini Report predicted. There is also some evidence that weaker economic regions do disproportionately better than stronger economies during periods of economic growth.

I believe therefore that we should take the optimistic view, that 1992 will be the opening of a door of opportunity for us in Ireland. And I believe that we should work hard to achieve Professor Kennedy's vision of "Ireland at Work". We can best do that by pooling efforts North and South in a more comprehensive way than we have managed to do so far.