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IRISH PEACE INSTITUTE

The National Institute for Higher Education, Limerick, Ireland Tel. 061-333644 Telex 26959

6th October, 1986

Dr. Garret Fitzgerald T.D., Taoiseach, Office of the Taoiseach, Government Buildings, Dublin 2

Dear Garret,

Thank you for your letter of 2nd October.

Winston McColgan and I met Peter Barry on 1st October and gave him an unrevised copy of the draft report. I sent a similar copy to your office on 3rd October. Before our meeting with Tom King on 13th October a positive reaction to the report would be very helpful. I enclose a copy of a letter about this which I have sent to Mr. Barry today.

You will recall discussions John Walsh and I had with you regarding the necessity for a Devco type organisation to stimulate greater co-operation between public enterprises North and South of the border. The draft report referred to above aims to increase such co-operation in the context of the International Fund. It suggests an organisational formula which would gain for this activity much of the support and understanding which is the strength of Co-operation North.

President Reagan's letter to which you refer was in response to a theme outlined in "The 3rd Way" paper (copy enclosed) — specifically it relates to the points marked on page 3. In our case, an adequate endeavour to achieve peace through co-operation cannot take place without the active involvement of these forces. The important point I stress is that Co-operation North has the acceptability and capacity to make this happen in a way that helps to reduce misunderstanding and distrust.



At this point all we need is the encouragement and endorsement of both governments to promote this possibility actively with the North-South enterprises concerned.

Good wishes.

Yours sincerely,

Brendan O'Regan

P.S. I enclose a personal note of points relative to the above.

Encls. (3)



IRISH PEACE INSTITUTE

The National Institute for Higher Education, Limerick, Ireland Tel. 061-333644 Telex 26959

7th October, 1986

Mr. Tom King, M.P. Secretary of State for Northern Ireland Stormont Castle, Belfast

Dear Mr. King,

I look forward to meeting you with my colleagues from Co-operation North on Monday 13th October. To save time, I enclose herewith a note of some personal views which I wish to express. These relate to the report that Michael McNamara of Stokes, Kennedy, Crowley and I prepared for Co-operation North and the Irish Peace Institute. Your office will already have received the first draft of this report. A further copy is enclosed on which I have marked for your convenience a number of salient points. I hope you will give the recommendations contained in this request your personal support.

From practical experience I believe that there is a lesson to be drawn from the Irish "economic miracle" of the '60's, which owed much to the promotional abilities of state sponsored enterprises such as the I.D.A., Shannon Development, C.T.T., Bord Failte and their opposite numbers in Northern Ireland — I.D.B., Ledu, Northern Ireland Tourist Board, Board of Trade etc.. The same promotional abilities could be used in bringing about an Irish "economic miracle of co-operation". The projection of such an image overseas could be the quickest way to increase industrial investment and tourist traffic for all of Ireland, and a vital step towards the renewal of economic growth and the creation of new employment in Ireland. Co-operation North has the acceptability and the capacity to make this happen. Such a dynamic good neighbourliness policy would be a potent force in defeating misunderstanding, distrust and terrorism on this island.

At this point, all we need is the encouragement and endorsement of both governments to promote this possibility actively with the North-South enterprises concerned.

Good wishes.

Yours sincerely,

Brendan O'Regan

Encls. (2)

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IRISH PEACE INSTITUTE

The National Institute for Higher Education, Limerick, Ireland Tel. 061-333644 Telex 26959

7th October, 1986

Mr. Kenneth Bloomfield, Head of Northern Ireland Civil Service, Stormont Castle, Belfast

Dear Ken,

Recently, Michael McNamara (Senior Consultant for Stokes, Kennedy, Crowley) and I completed a draft report for Co-operation North and the Irish Peace Institute on the subject of creating employment through North-South co-operation. The report (copy herewith) outlines an organisational formula for the easing, in the context of the Anglo-Irish Agreement, some of the economic anomalies which exist as a result of having two separate administrations on this island. My own experience of North-South co-operation and of job creation through industry and tourism, makes me confident that implementation of the recommendations which the report contains could:

- (i) increase investment and employment in industry and tourism on both sides of the border;
- (ii) secure valuable support from public and private enterprise, North and South.

The report will be considered by the Executive Committee of Co-operation North prior to a meeting we have on 13th October in Belfast with Mr. Tom King, Secretary of State. I have written to Mr. King as per the attached letter. I personally believe that an adequate endeavour to achieve peace on this island through co-operation cannot take place without the more active involvement of the forces of public and private enterprises on both sides of the border. Co-operation North has the acceptability and the capacity to make this happen.

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At this point all we need is the encouragment and endorsement of both governments to promote this possibility actively with the North-South enterprises concerned.

Very good wishes.

Yours sincerely, \

Brendan O'Regan

Enc. Draft Report, letter

NORTH-SOUTH CO-OPERATIVE UNITS OF MANAGEMENT

DRAFT REPORT

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CO-OPERATION NORTH GRANT-IN-AID APPLICATION TO THE INTERNATIONAL FUND

SUMMARY

Cooperation North's approach to peace-building through non-political managed cooperation offers the most promising, and practical way of 'encouraging contact, dialogue and reconciliation between Nationalist and Unionist throughout Ireland.' It is proposed in this grant-in-aid submission that the proven approach of Cooperation North be applied to peace-building in Ireland through the establishment of cooperation units each addressing key areas of economic activity and involving the active, committed participation of Northern Ireland and the Republic of Ireland representatives.

The achievements of Cooperation North over the past seven years in bringing together Unionists and Nationalists to work for common goals in a variety of economic, social, education and cultural areas speak for themselves; during a time of great political turmoil, Cooperation North has forged ahead and built solid links based upon common interests through its non-political approach to peace-building through pragmatic managed cooperation. With greater financial support, Cooperation North could achieve much more. From the beginning, Cooperation North has emphasized that its success demands a substantial and fully articulated programme of North/South cooperation which is continuous and unremitting.

Due to the continuing success of its management approach, Cooperation North has contemplated, during the past few years, the expansion of its programmes to include projects that will improve the quality and conditions of life for people in areas on both sides of the border facing serious economic or social problems. For instance, enclosed is an Aide Memoire to the Speaker of the House of Representatives, the Honorable T.P. O'Neil, written in May 1985, that outlines a scheme for a series of projects to create great economic, educational and social opportunities for all on this island. Cooperation North has both the in-house management expertise and, perhaps more importantly, the support of both Unionists and Nationalists, required to implement these planned projects. Unfortunately, these projects have never been carried out due to lack of adequate funding.

The creation of the International Fund provides a new opportunity for Cooperation North to expand its programmes. Accordingly, there is enclosed a grant-in-aid application for £2 million sterling which would be used by Cooperation North to implement its carefully planned, but long delayed, projects designed to foster greater economic and social opportunities on this island. The application is written in general terms and contains three

parts:

- o a conceptual overview, entitled "Forging the Future" that outlines the pathways to economic growth that can be promoted by Cooperation North's non-political approach to peace-building through managed cooperation.
- o a management report, prepared by Stokes Kennedy Crowley, that outlines how projects could be set up in a variety of fields to promote economic and social cooperation.
- o an appendix that contains background material on Cooperation North's proven "track record" including the Aide Memoire already mentioned.

A reason for the general approach of the application is that, like the Marshall Plan, continuing cooperation, especially in a conflict situation, often benefits from a clearly stated commitment to work together. Cooperation North is seeking the clear commitment of support from the International Fund that will insure continuous cooperation between North and South in the major, vital job-creation areas.

Cooperation North's Board consists of some of the most successful businessmen of both Unionist and Nationalist traditions on this island. They combine the very best of business talent with money-management and job-creation skills. Because of this, Cooperation North constitutes an invaluable resource that should be fully supported by the International Fund.

FORGING THE FUTURE

Forging The Future
The greatest asset that Co-operation North provides is, ironically,
intangible, and that is hope. Without hope in a better standard of living,
without hope in any improvement in the current conflictual situation, without
any sign of tangible co-operation that can provide a fragile way forward,
desperate men will turn to violence. Hence, it is imperative that the
projects supported by the fund don't simply serve as a palliative to current
chronic problems, but that the projects also provide tangible signs of hope
based upon proven achievement. Co-operation North has such a proven and
hopeful record of achievement that was forged during times of great
difficulty. We are confident that much more can be accomplished, and that a
greater harvest of hope can be achieved, based upon specific and well planned
projects of economic and social co-operation, if Co-operation North is
adequately funded.

Pathways to Economic Growth. Industry and Tourism

The two main avenues of economic growth for both Northern Ireland and the Republic of Ireland are industrial and tourism development. Both avenues require that potential overseas investors and/or tourists develop a degree of confidence and trust that can only be created by fostering non-political co-operation between both traditions on this island. Successful examples of non-government co-operation in a variety of economic, social, educational and scientific fields can project an image of Ireland overseas that will attract the investor and the visitor. Despite its limited resources, Co-operation North already provides examples of successful co-operation that capitalise on the non-political common interests of both Unionists and Nationalists. Given much greater support for its well planned and managed projects, Co-operation North could achieve much more in building trust and confidence - between the differing communities on this island as well as with potential investors or tourists overseas.

Specific New Areas of Co-operation

As the successful example of Co-operation North demonstrates, building peace between "both parts of Ireland which have suffered most severely from the consequences of the instability of recent years"* requires a planned, fully articulated programme, skilled management and adequate resources. By bringing together Unionists and Nationalists on a variety of well-managed projects Co-operation North makes a unique contribution that benefit "the people in both parts of Ireland"* by seeking to "improve the quality and conditions of life for people in areas facing serious economic and social problems".* The key to Co-operation North's approach is to employ non-political avenues of carefully planned collaboration. Given Co-operation North's proven record of successful and well managed projects that contribute to reconciliation between

^{*} quoted from objectives of International Fund Agreement.

the differing communities there is no doubt that much more could be accomplished if adequate funding is provided for its non-political and peace-building activities.

Co-operation North could establish a series of small well-managed units, staffed by personnel from Northern Ireland and the Republic of Ireland. These could create a new image for both parts of Ireland, and greater employment North and South. The specific projects that Co-operation North could develop to further the goals outlined above are in the areas of:

- (i) Tourism Development co-operation
- (ii) Industrial Development co-operation
- (iii) Increased North/South Trade and Commerce
- (iv) The Irish Peace Institute which bonds together universities North and South (The University of Ulster, the National Institute for Higher Education, Limerick, and the Irish Peace Institute are already making advances in conflict resolution studies, focusing on Co-operation North's experience, and the experience of reconciliation in Europe initiated by the Marshall Plan.) The Irish Peace Institute is already established and is partly funded by Co-operation North, but requires greater support in order to develop further its North/South university links, and educational programmes for voluntary reconciliation bodies.
- (v) Science/Technology co-operation and the promotion of joint endeavours in other areas.

With support from the International Fund, Co-operation North could set up small units based upon the management plan provided by Stokes, Kennedy and Crowley, which is enclosed. The basic approach outlined in their report is that the creation of small, non-governmental managerial units will create opportunities for investment and employment in economic, scientific, educational and social areas for both parts of Ireland. Co-operation North has already demonstrated, on a limited scale, that this management approach is a successful formula for building confidence and trust between communities torn by political conflict. With the creation of the International Fund, the time is ripe to expand upon this successful approach, and specifically to create jobs and greater economic opportunities.

Two examples suffice to show how this could be done. First, in the field of tourism — one of the suggested management projects in the enclosed report — there is the potential to create non-political co-operation in this area that will benefit the people in both parts of Ireland. A small management unit in tourism could work to:

(1) develop joint promotional campaigns and

(2) foster co-operation between existing non-governmental and governmental bodies in both Northern Ireland and the Republic of Ireland. Indeed, if the International Fund supported such an initiative, there is the potential for such a management scheme to project Ireland and Great Britain together in a single promotional campaign. (Thus, the process of fostering non-political co-operation in tourism would approximate the Anglo-Irish Process that led to the creation of the Fund.) While this is simply a suggestion, it illustrates the great potential that exists to expand upon efforts to co-ordinate promotional campaigns that will bring us more tourists — and thus more employment.

The second example is in the area of Industrial/Services development. Recently, Shannon Development, in co-operation with businessmen from throughout the Shannon/Limerick area, sent a large trade delegation to Atlanta, Georgia. The purpose of the trip was to secure new markets and contracts. Similar joint industrial missions, combining the best talent and expertise in trade from both parts of the island, could be continuously organised in specific areas - such as telecommunications or agriculture - by a small management unit. The simple but dramatic example of businessmen from both traditions co-operating on joint trade missions could go a long way in overcoming the apprehensions of overseas investors concerning industrial investments on this island.

CONCLUSION

With its great experience in building solid bridges between communities torn by conflict, Co-operation North represents an invaluable resource that can, and should, be utilized to create employment and investment opportunities. Co-operation North has a proven record of achieving the objectives of the International Fund; namely "to promote economic and social advance and to encourage contact, dialogue and reconciliation between Nationalists and Unionists throughout Ireland." (Act 2-International Fund Agreement) The programmes of Co-operation North have brought new hope - through school and business contacts, and through community and athletic events - during a time when few other signs of progress have appeared. With adequate funding of its planned projects, Co-operation North could achieve much more.

Ireland, both North and South, is blessed with many resources. Yet, without a doubt, the people are the greatest single resource on this island. Too often the faces of the people, whether Unionist or Nationalist, have been filled with apprehension. We are convinced that, through co-operation and shared achievement the people of this island can together create greater employment and economic opportunities for the benefit of all. Reconciliation, then, becomes a joint achievement. Co-operation North is convinced it offers a proven way, through well planned and managed programmes of non-political co-operation, to achieve the objectives stated in the agreement creating the International Fund.

CO-OPERATION NORTH/CO-OPERATION IRELAND

MANAGEMENT FORMULA FOR CO-OPERATION UNITS

- MICHAEL MacNAMARA, STOKES KENNEDY CROWLEY/PEAT MARWICK, IRELAND

1. CONCEPTUAL BACKGROUND

The need for effective organisation and management of peace-building institutions was one of the main themes of the International conference on Peace-building, organised by the Irish Peace Institute at Shannon Airport in April 1986. Some of the key points emerging from the Conference were as follows:

- Peace-building requires a planned, fully articulated programme, skilled management and appropriate human and financial resources.
- o Peace-building must be based on clearly stated objectives leading to continuous, unremitting substantial programmes of activity; this entails planning, implementation and evaluation of outcomes.
- Peace-building needs a form of organisational structure to make co-operation work, to insure co-operating parties implement agreed aims, and to manage co-operation.
- Organisations involved with peace-building must be skillfully managed - from an internal point of view in such areas as finance, personnel and appropriate systems, and form an external point of view in areas such as dissemination of information, public relations and fund-raising.
- o Peace-building must operate in an environment in which there is strong commitment to initiate co-operation at the top.

The conceptual basis for the operation of the proposed Co-operation Units is as follows:

- o The 'third way' concept peace depends primarily on self-interest which, in turn, relates to standards of living. Peace and self-interest are promoted by developing trust and co-operation in economic, social and cultural fields between opposing interests.
- o Secondly, 'track two' diplomacy the practice of informal interpersonal and group to group communication resulting in constructive and fruitful interaction between different factions and interests i.e. people to people diplomacy through which productive co-operation emerges in areas such as manufacturing, agriculture, communications and tourism.

o Thirdly, the approach will be to create small, non-governmental, managerial Units, staffed by professional and technical executives, who would generate international co-operation by forging economic, scientific, educational, cultural and social links between countries. Such units would be supported and staffed by public enterprise and private enterprise organisations and institutions and would not be of a political nature.

o These Units will be effectively managed and will have a dynamic and creative mode of operation.

MANAGMENT FORMULA

2. OBJECTIVES FOR NORTH-SOUTH CO-OPERATION UNITS IN IRELAND

- 2.1 Assist in the further creation of co-operative activities which create viable employment through productive investment, as an extension of the efforts of enterprise development agencies in the Republic of Ireland and Northern Ireland.
- 2.2 Further joint economic development through the identification and specification of practical commercial co-operative ventures.
- 2.3 Employ non-political avenues of approach and non-governmental pragmatic arrangements.
- 2.4 Help to create a new image of both parts of the island of Ireland working together in harmony for practical purposes.
- 2.5 Operate within the successful framework of Co-operation North as a logical extension of the Business Links Programme for the creation of specific projects.

3. STRATEGY FOR CO-OPERATION UNITS

- 3.1 Operate in association with relevant public enterprise and business enterprise organisations, avoiding areas of duplication of effort.
- 3.2 Evolve, plan and develop suitable practical programmes and projects involving co-operative endeavour which have the aims of creating viable employment through productive investment.
- 3.3 Manage the operation of the Units in a dynamic, creative and non-bureaucratic mode, avoiding the common weaknesses of voluntary agencies.
- 3.4 Have defined statements of objectives and plans for their achievement and discontinue operating after a pre-specified period (possibly

three years), providing for continuity through the medium of established institutions.

Have a small core of staff on a contract basis, with the Unit staff being mainly on secondment from existing relevant public enterprise and private enterprise organisations.

3.6 Act as catalysts in developing co-operative effort by relevant established organisations from Northern Ireland and the Republic of Ireland.

4. CORPORATE ASPECTS

- 4.1 Corporate entities will be established to provide for the corporate administration of the Units and the channelling and management of funds. The Irish Peace Institute is an existing example of one such entity.
- 4.2 The corporate entities will be linked at Board level to Co-operation North.
- 4.3 Each entity will have a Board of four senior members, the Chairman and a second Director being appointed by Co-operation North, the other two Directors being, respectively, designated by co-operation interests in Northern Ireland and the Republic of Ireland.
- 4.4 Formal reports on the activities of the Units will be submitted at six-monthly intervals to the Board of Co-operation North.
- 4.5 It will be the responsibility of the Board of the corporate entity to submit annual budgets and reports thereon to the Board of Co-operation North and to ensure that funds are effectively generated and utilised.

5 ORGANISATION AND STAFFING

- 5.1 At this stage it is envisaged that four new Units -- in addition to the already existing Irish Peace Institute -- will be established:
 - i) Tourism Development co-operation
 - ii) Industrial Development co-operation
 - iii) Increased North/South Trade and Commerce
 - iv) Science/Technology co-operation
- 5.2 The activities of the Units will be organised, planned and managed on a 'project' basis. One 'core executive will be assigned to each project team, the other team members being seconded from public and private sector organisations.

5.3 There will be one 'core' executive for each Unit. It is envisaged that the number of Units and core executives will not exceed four.

6. OPERATIONAL CONTROL

- 6.1 The objectives for each Unit will be specified and, to the greatest extent possible, quantified.
- 6.2 Budgets will be prepared for each Unit and will be compared to performance and progress in relation to planned activities of the Unit. Performance indicators will be established whereby progress against plan will be reviewed.
- 6.4 Each Unit will have a designated Manager who will develop the project programme for the Unit, manage its operations and report to the Board of the Unit on progress against plan and budget.
- 6.5 The Chief Executive of Co-operation North will co-ordinate the activities of the Unit Managers and collate the Unit reports in suitable form for presentation to the Chairman and Board of Co-operation North. The Chief Executive of Co-operation North will ensure that value-for-money is obtained from the assignment of funds to the Units.