

An Chartlann Náisiúnta National Archives

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1. The Economy

British media coverage of Ireland in recent months has focussed to an unusual degree on the economy. In the course of the General Election campaign, British sources were generally accurate in identifying the relative emphasis placed by the Fine Gael and Fianna Fail parties on policies of financial stringency and the prospects for growth. There was extensive coverage of the emergence of the Progressive Democrats. The Labour Party was generally ignored. In an election campaign in which all parties underlined the serious economic difficulties facing any Irish Government, it is not surprising that the British press portrayed our present economic circumstances as somewhat bleak. Nevertheless, some articles, including articles in influential publications, presented a picture of unrelieved gloom which seemed not to satisfy standards of journalistic objectivity.

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The single most influential piece has been a special article in <u>The Economist</u> of 24 January. This piece is headed "How the Government spent the people into a slump", is accompanied by what appears to be an old picture of a poor farming family, and begins in the following manner: "The people of the Irish Republic are deeply in debt to the outside world - three times as much per head as Mexico. Their unemployment (19%) and interest (13.5% for a prime borrower) rates are rising fast. Their currency is overvalued against those of their main trading partners, Britain and the United States, and their exports are declining."

<u>The Economist</u> goes on to say that American and Japanese firms have been turning to the Far East, that EEC intervention sales are bound to decline, that the Irish pound is wrongly valued against Sterling, and that the Irish political system, involving competition not only between parties but between rival candidates for each party, is a barrier in the decision-making process. <u>The Economist</u> believes that the basic problem is a high level of borrowing to finance what it describes as "welfare spending" and that the International Monetary Fund may have to step in to impose a stringency that politicians cannot muster. The article concludes, "Some politicians should be pleased if outsiders did the dirty work that they know is needed, but cannot do themselves".

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While The Economist is less authoritative than it used to be, the article of 24 January may have encouraged certain highly unfavourable articles that appeared in serious newspapers later in the election campaign. In a piece in the Sunday Times on 8 February 1987, Cal McCrystal, who is himself a Northern Catholic, said that "the Irish people are studies in petrifaction" that "a profligate past mocks the emaciated present" and that the emigrants are leaving behind them "the crumbling inner cities of their homeland", "the thin-faced parishes" of Cavan and Monaghan, and "the barren folds of Connemara and Clare". This highly colourful piece is headed "Third World Ireland". In the Sunday Telegraph of 22 February, Bruce Anderson states that "the only thing preventing Ireland from applying for membership of the Third World is its climate". Mr. Anderson states that the Irish economy was traditionally "a Guinness economy", that the main precept of "Hiberno-Keynesianism" is "easily translated into layman's language; put the rent money on the 2.30" and that the "politics of the fix corrupts the whole of Irish political and economic life." Anderson states that the pattern of emigration means that "the slothful and shiftless stay at home" and that "this has genetic consequences, which are reinforced by the large numbers of able males who become Catholic priests, and thus leave the breeding pool." Mr. Anderson's piece speaks for itself; it is not much compensation to reflect that he, like Cal McCrystal, is far from being an influential commentator within his own newspaper. In an inaccurate but not malicious piece on 19 February, the Daily Telegraph's very youthful correspondent, Stephen Robinson, focusses largely on the

problem of emigration: "At no stage during the four week campaign did one politician stand up, address the nation's youth, and say 'for God's sake stay and fight your corner - our country needs you'".

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A more balanced view of Ireland's economic difficulties is provided in the only other article in recent months which ranks in importance with that in The Economist, namely a piece in the Financial Times on 6 February by that paper's Dublin correspondent, Hugh Carnegy. Carnegy identifies a number of features ignored by The Economist: he notes that a break has been put on Ireland's foreign exposure, which is now about 40% of the total national debt. He mentions our relatively healthy balance of payments, and points out that the 1982-87 government reduced annual exchequer borrowing from 15% of GNP in 1981 to 13% in 1985. Carnegy notes that Fianna Fail sees opportunities for growth, especially export growth, in agriculture, food processing and horticulture, tourism, financial services and marine resources. He recognises the dominant role played by the IDA in developing manufacturing in modern sectors such as electronics, pharmaceuticals and computer software, and recognises that the IDA continues to have considerable success in attracting outside investment but that "it has to run hard to stand still because it loses about 5% of foreign companies a year". Carnegy concludes that Ireland has no immediate debt servicing crisis, but that the debt has "a dampening effect" on the economy. He poses the question, by means of a quotation from an economist, Dr. Peter Bacon, of what measures are required in addition to fiscal measures to sustain economic activity.

Carnegy's sober approach sets the tone for coverage of the Irish economy over a broad spectrum of the British quality press, for example, George Brock's feature article in the <u>Times</u> on 12 February about the policies of the Progressive Democrats.

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Two features of British economic comment on Ireland deserve special mention. First, certain commentators have attempted to use current economic difficulties to further the unionist point of view on the question of Northern Ireland. In the Times on 23 February, there is an article under the heading "Lumps in the Irish Stew" by T. E. Utley, a unionist who has a history of hostile, not to say embittered, commentary on Irish affairs. mainly in the Telegraph, since at least the early 1970s. Utley asserts that the result of the election proclaimed with unusual clarity that "the majority of people in the Republic do not care a row of beans for Irish unity" and that "they are obsessively, and quite rightly, preoccupied with their own miserable economic condition." Utley goes on to say that the election result offers a unique opportunity for the British Government to tell the unionists in the North how little they have to fear from the "miserable, divided, confused polity in the South".

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A second point of interest is that some of the commentary seems designed to undermine Ireland's bargaining position in the European Community and to strengthen Mrs. Thatcher's approach to European issues. ! The Anderson piece already referred to says that "Ireland's membership of the Common Market has not been a success, for it has encouraged the nation's sophisticates to nourish delusions about their country" and it describes a recent speech by the President of the EEC Commission, Mr. Delors, as "an extraordinary unhelpful statement". In Anderson's view, the EEC budget is "in almost as big a mess as the Irish one. And this is no time for any friend of the Irish to encourage their tendency to believe in pots of gold at the end of the rainbow." Anderson's piece can be compared with the position of The Economist which states in its issue of 21 February, in an analysis of the election result, that "the new government will stand four-square against efforts to introduce reality into the EEC's common agricultural policy."

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Despite patches of predictably unfavourable comment, the general verdict of the British press on Ireland's economic prospects can be summed up in the following editorial remarks in <u>The Observer</u> and <u>The Times</u>. <u>The Observer</u>, on 22 February, states that Mr. Haughey is "going to need all his famed political skills in the months ahead to run a minority government and put through the tough measures necessary to tackle Ireland's economic problems." <u>The Times</u>, on 23 February, states that any Irish Government must now "undertake what amounts to a crusade to persuade public expectations to come into line with what the economy is actually able to deliver".

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It will obviously be important in the time ahead to ensure that this critical but objective approach prevails over the overtly despairing comment to which the merciless scepticism of <u>The</u> <u>Economist</u> has given rise in the hands of lesser journalists in other newspapers. An image of poverty and instability will undermine our position in Britain economically as well as politically. A possible approach on our part is discussed below.

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2. Anglo-Irish Relations

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On Anglo-Irish relations, the basic fact to be underlined is that the British media broadly support the Anglo-Irish Agreement, which they, believe provides a basis for bringing about stability in Northern Ireland and removing that issue from Anglo-Irish relations and the international agenda. The main organs of opinion - <u>The Times</u>, <u>The Telegraph</u>, <u>The</u> <u>Guardian</u>, <u>The Independent</u>, <u>The Sunday Times</u>, <u>The Observer</u>, the BBC and ITN - are remarkably consistent in supporting the Agreement despite some flirtation, in certain quarters (for example in <u>The Independent</u>, which is a recent arrival on the newspaper scene) with the idea that the unionists have suffered unnecessarily under the terms of the Agreement. In the British press, there is a general understanding in the aftermath of the election that the Anglo-Irish Agreement remains in place, but this is qualified by concern for the future of the Agreement arising out of a number of statements by Fianna Fail over the period since the Agreement was concluded.

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The general verdict is summed up in the following editorial comment from <u>The Observer</u> (22 February): "From her own point of view, the Prime Minister has shown considerable courage inconfronting unionist opposition to the Agreement and has done so because she was confident of the Dublin Government's wholehearted support for the deal. If Mr. Haughey now starts to quibble about parts of the Agreement, the temptation in Whitehall will be to pull back from the much closer cooperation with Dublin which has been one of the major benefits of the Anglo-Irish process."

A number of individual points can be mentioned. First, there is the point of view referred to above of Mr. T. E. Utley, namely that the present is an opportune moment for the British Government to reduce the significance of the Anglo-Irish Agreement without formally repudiating the Agreement. Utley argues that in 1980 Mr. Haughey put forward the concept of the "totality of relationships" within the British Isles and that "it was FitzGerald who destroyed this beautiful idea by proposing, in effect, that London and Dublin should get together to govern the Six Counties in consultation with each other."

Secondly, certain commentators have interpreted the poor showing of the Sinn Fein party in the election as proof that the Irish people have lost interest in Irish unity. Stephen Robinson in the <u>Daily Telegraph</u> in the piece referred to above, asks "how can it be that the cause of Irish unity, which has captured the imagination of East Coast Americans and North London Councils alike, is mirrored inside the Irish Republic by

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Sinn Fein's failure to win a sincle seat in the 25th Dail?" Robinson states that in the Republic, the Anglo-Irish Agreement stands or falls "on its success in preventing, any south-ward spillage of sectarian violence."

Thirdly, George Brock of <u>The Times</u>, in the piece already referred to, mentions the influence of the Catholic Church: "In spite of the current conservatism, inexorable forces will bring about changes in laws still dominated by the Roman Catholic Church". This theme was not much pursued by the British press during the election but has been a topic of major interest on previous occasions.

Fourthly, the tabloid newspaper, <u>Today</u>, in an editorial on 20 February, mentions extradition as a test of future relations between the British and Irish Governments. The paper comments, "a commitment to honour the new rules for deporting terrorist sususpects to which Dr. FitzGerald agreed would make an excellent start."

Finally, in a number of instances, coverage of Anglo-Irish relations contained echoes of the past or references to extraneous issues, sometimes in the form of objectionable personal attacks, which did little to inspire increasing trust between their newspaper readership and the Irish people.

3. A General Approach

It cannot be denied that some of the British media coverage of Ireland reflects long-standing prejudice. There have always been some British people who have believed that Ireland is, in its essence, backward and inefficient, that it takes a narrow view of religion, and that the Irish people either "don't want unity" or else support violence in the pursuit of political objectives. Behind such prejudice there is often an unconscious desire to relieve the British Government of its share of responsibility for the state of affairs in Northern Ireland and to enable Britain in the economic sphere to pursue its own interests baldly. However, such prejudice has not taken hold in the British media as a whole and is perhaps best not tackled directly. The priority should be to consolidate the basically fair coverage which we receive in the great majority of the British media.

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In general, it can be counterproductive to try to sway too forcefully a journalist's perception of facts or events. It is important that journalists should not come to regard our Embassy or the Press Section of the Department as "propagandists", especially as British correspondents who follow Ireland now take the Irish newspapers and frequently travel to Dublin where they are exposed to the full range of 'Irish opinion including current criticisms of Government policy. What we can and do ensure is that'attention is drawn to positive developments in the various fields of interest to the press. As regards the economy, it will be important in the months ahead to be able to demonstrate to the press in Britain that efforts are being made to bring our economic difficulties under control and in particular that the Government recognises the long-term significance of our level of indebtedness. We can continue to draw attention to the positive side of our economic position including individual success stories in the area of high technology, the growth of the film industry, the assistance provided by the IDA to small businesses, the National Stud (to which the Wall Street Journal referred in a recent controversial article) and other achievements. It will also be necessary to bear in mind current negotiations on the strengthening of the structural funds of the Community, a * policy to which the Community appears formally committed by the Single European Act.

As regards the Anglo-Irish Agreement, it should prove possible to demonstrate in the course of the coming months that there is no question mark over the continued functioning of the Agreement, and to demonstrate also that our commitment to the

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Agreement represents not indifference to the North, as implied, for example, by Stephen Robinson (see above), but rather our determination to pursue national objectives by peaceful means, through negotiation.

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There may also be some scope for pointing out quietly that the persisting divisions in Northern Ireland are not without economic cost. Apart from the cost of security, which is somewhat pointedly belittled in <u>The Economist</u> piece of 24 January, there is the effect of the Northern problems on tourism, investment and on the shaping of the agenda of Irish political life.

Press Section, 27 February 1987.

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(<u>Note</u>: A separate report prepared by the Press Officer in London with responsibility for the British media will be available in the week beginning 1 March).

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