

British-Irish Relations: Implications of a Possible Brexit

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Robin Niblett

Ladies and gentlemen, welcome to Chatham House. I'm Robin Niblett, director of the Institute. Delighted to see you. Hopefully, those of you who were able to take a summer break had a good summer break. We are especially pleased to be kicking off our new series of members' meetings on what we know is going to be one of the big topics for at least probably a year: the issue of Britain's decision on whether to remain or not in the European Union.

I think there could not be a better way of starting actually than getting a perspective from our nearest and closest neighbour, the Republic of Ireland. We're delighted to have the minister of foreign affairs and trade, Charles Flanagan. Minister, welcome to Chatham House and thank you very much for coming to share your perspectives on the topic of British-Irish relations and the implications of a possible Brexit.

The relationship economically, as well as politically, between Ireland and the United Kingdom is one that – I think I saw a figure of £1 billion a week of cross-border trade. So the economic level, the risks of a change to Britain's status, are serious, certainly for Ireland and certainly for the UK as well. Certainly need to be debated. But the political dimension as well – as we've seen in recent weeks, there is a fragility to the peace status north of the border, which could also be affected by the decisions taken here.

So Minister, we're very pleased that you would come and join us. You took up your current position in July 2014, just as foreign relations and international relations became as complex as at any time in a generation or two. Charles Flanagan also served as chairperson of Fine Gael's parliamentary party until taking his position as minister of foreign affairs and trade. He's also served as spokesperson for justice, equality and defence. He's had positions as party whip, party spokesman, and also vice-chairman of the British-Irish Parliamentary Group from 1997 to 2000. So somebody particularly well placed to take on this subject.

We look forward to your remarks. This is on the record, even though we're at Chatham House. We look forward to your thoughts and engaging in conversation. Welcome to Chatham House.

Charles Flanagan

Thank you very much, Robin. I'd like to say there's a great group of people here for what is something of an Indian summer. Beautiful September, autumn sunshine in London, and we're all here in the basement of an historic building.

In preparing my remarks for this afternoon, I was reminded of the old joke about the European Union – and there aren't too many. You know the one: the European Union heaven, where the police are British, and EU hell, where the British are the chefs. The reason I refer to it is not simply to raise a smile in a basement room on a fine Monday afternoon, but because the admittedly unfair punchline hinges entirely on the United Kingdom. So if Britain were to leave the European Union, the Union's best-known, perhaps only joke will not work at all.

But it's not just, of course, about hackneyed jokes. If the British people decide that their future should be outside the European Union, we'll all have to worry about a lot of things. The impact on our economy, the effect on the British-Irish relationship, the blow to the stature and credibility of the European Union – indeed, the very future of the European Union itself. So the fact is that the prospect of the United Kingdom leaving the European Union is certainly no laughing matter.

This is certainly the case for my country, for reasons that I will shortly explain. But I'm not just here today to wring my hands about possible problems. I want to talk about how best we can assist Prime Minister Cameron and his colleagues in achieving a reform package to help firmly secure the UK's future in the European Union. I want to describe what we see as some of the main obstacles in the negotiations ahead. I want to reflect on our own extensive national experience of referendums, for in my lifetime alone we have had 38 referendums in Ireland, 24 of which have taken place during the period of time that I've been a member of parliament. I've been personally involved in eight polls directly related to the European Union. So I've seen, in Ireland at least, how they can be won, how they can be lost, and how they can be managed. So allow me, Robin, to be somewhat direct and upfront as well.

The approach the Irish government takes to this debate here is underpinned by one clear conviction: Ireland, the British-Irish relationship and the European Union as a whole are best served by Britain's continuing presence at the heart of the union. That's why we are so determined to see the UK – our close friend, our nearest neighbour, our most important business partner, as Robin has said – remain in the European Union alongside us.

So let's start though with a very quick assessment of where we are and what lies ahead. Prime Minister Cameron, re-elected in May with a mandate to seek an EU reform package and hold an in-out referendum – this is something that everybody across the European Union accepts and respects. The prime minister and his colleagues have already made significant efforts with all their EU partners, including Ireland, to explain their plans and ideas. The commitment they have shown to connect with other member states is as commendable as it is wise. We know from experience how important it is to engage directly with European capitals on sensitive EU issues. Through these diplomatic efforts, we all now have a better sense of what the UK hopes to achieve, though we wait to hear more details, and formal proposals have yet to be tabled. Our heads of state or government collectively heard from the prime minister at the June meeting of the European Council. Exploratory, technical-level talks have been underway in Brussels since then. We look forward to hearing later in the autumn how those discussions have progressed, before the European Council considers the matter again in more detail.

What we all want and what we all need is a calm, reasoned and deliberative process that can both satisfy the UK's concerns and serve as a basis for its continued membership. So far, that's what we've been seeing at EU level. So things are hopefully moving in the right direction.

The truth of the matter is that a sense of trepidation persists both in Ireland and across the European Union about what could yet unfold in the context of the campaign. The stakes for Europe, for its people, for its economies, are simply too high and the potential problems are too big.

That is certainly the case in Ireland, where the EU-UK relationship features very prominently in our political and commercial discourse, where our government is already working to develop the clearest understanding of the complex issues of concern. The fact is, with the exception of the United Kingdom itself, we in Ireland have more at stake than anybody else. Let me briefly recall some of the reasons why.

Firstly, the UK, as Robin has said, is our biggest trading partner. We exchange €1 billion of goods and services every week. Credit for this lies in the first instance with Irish and British business, who work so hard to build and sustain commercial ties across the Irish Sea. But common Irish and British membership of the EU Single Market has been instrumental too in bringing our economies so close together and creating jobs and wealth for our citizens. It has provided, in essence, a dynamic framework that underpins our successful trading relationship. That's why so many businesses are so vocal about the benefits of

British membership of the European Union. It's why we should all be so wary of the uncertainty that would inevitably accompany any change in the nature of the UK's relationship with the Union.

Membership in the Union has brought the UK and Ireland, the EU's two English-speaking members, who joined on the same day, much closer in other important and significant ways. Working together side by side within the Union has nurtured ties between our respective administrations and our political systems. It has also helped us appreciate that we have more in common with one another than with any other member state. I have no doubt that this has played a key role in the now flourishing relationship between Britain and Ireland.

In relation to the European Union and Northern Ireland, tomorrow in Belfast the UK secretary of state for Northern Ireland, Theresa Villiers, and myself will bring together the five main parties in Northern Ireland for an intensive round of talks aimed at stabilizing the political institutions in Stormont. I was upstairs putting the final touches on my remarks over the last few minutes, and I was struck that I was sitting under the portrait of Lord Castlereagh, the third Marquess of Londonderry, in the Duke of York Room. I recall the quotation made about Lord Castlereagh: 'he is so cold that nothing can warm him'.

But it is perhaps in Northern Ireland where the EU's positive influence has been most keenly felt. From the outset, our joint membership has facilitated progress with the peace process. It has served as a forum for contact across a range of policy issues, and as a separate setting to address problems as they arose. As our Taoiseach, Enda Kenny, said this weekend, the European Union has fulfilled an intangible role as a wider union in which we are all members. None of us in the UK and Ireland should forget the stability this has brought and indeed continues to bring.

The economic impact of EU membership on Northern Ireland should not be forgotten either. The European Union has brought finance reconciliation programmes and fuelled growth and employment. Its structural funding has helped to develop a modern economy with first-class infrastructure. Its Common Market has been a huge benefit for Northern Ireland's exporters and business, both by helping to attract foreign direct investment to its shores and better connecting them with customers further afield.

In short, the European Union has been a powerful, if understated, force for good, for everybody in every community right across Northern Ireland. All of this may help explain why British EU membership really matters to us in Ireland and to the British-Irish relationship, and indeed to our own national interests on the island of Ireland – which, quite frankly, puts us in Ireland in a difficult position. As important as we consider British membership to be, the decision on whether the UK remains or leaves the Union is purely and solely a matter for the people here to decide. We cannot, we will not interfere in the affairs of state of our friend and neighbour. We cannot be insensitive to the democratic process underway in the UK. We cannot afford to upset the wonderful dynamic that is the modern relationship between Ireland and Britain.

Yet there is no denying that Ireland still occupies a unique position when it comes to this debate. We are the only state with which you share a land border. We are the only other EU country that speaks English as a native tongue. We are one of three member states whose residents in the UK will be able to cast their vote in the referendum. So it's no surprise that every element of Irish society – its people, its business, its diaspora – is anxious about Ireland's interests, and to ensure that they are best protected when it comes to the EU-UK debate. That's why we have resolved, despite our being ever-respectful of the democratic process here, to make our voices heard in this debate. That means being open and honest that Ireland must find a way to play a constructive role in this debate, a role that is supportive of the United Kingdom, our most important strategic partner, in helping it to achieve reasonable reform objectives – but a role

that is equally respectful of the interests of our 26 other friends and partners across the European Union. Irrespective of the emphasis we place on continued membership by Britain of the EU, we will not jeopardize our own position in the Union. In all circumstances, Ireland's future lies within the European Union.

So how can we achieve this balance? I'd first argue that the balance isn't in some respects as delicate as might first appear. That's because the interests of the UK and of other EU member states are far from mutually exclusive when it comes to the reform agenda. Yes, there are likely to be differences of opinion on certain contentious issues, but many EU partners in fact want the very same things as the United Kingdom across a range of areas, especially when it comes to economic policy. This reality makes the task of its friends thankfully a little easier.

So our focus is on working together in pursuit of common EU policy and reform objectives. This includes areas that we know are of key importance to the UK, whether it's the creation of a real digital single market, the finalization of trade agreements or lessening the regulatory burden for our business. We will be open-minded too on other issues. We know, for example, that the UK is likely to suggest proposals to improve how the Union works and operates. The detail of what may be proposed will be important, but will need to be achievable. But I can assure you that the instinct of Ireland is to be sympathetic. It is already clear that many other EU partners will take a similar approach. After all, we all want to see our Union work more effectively and we all want to see the UK remain in the European Union.

Potential changes to welfare issues in the UK are going to prove more difficult. That's because the very perception, whether it's right or wrong, of the citizens of one member state being treated differently from another touches a nerve deep within the European Union's common ethos. That's why this could prove a tough portal to jump, depending on how it's approached. We know the scale of migration into the UK, including from other EU member states, is a source of serious concern, both for the government and for many British people. We have heard the debate about pressures on public services. We've seen it said that these pressures are becoming unsustainable and excessive, that some local communities in the UK are struggling to cope, and that this is contributing to a sense of dissatisfaction with the European Union and Britain's place in that Union. We know these concerns are often honestly held. We all appreciate and share the prime minister's commitment, despite the intensity of this debate, to protecting and supporting freedom of movement. It's very important that he has made clear that a basic building block of the Union is not being called into question.

But part of the problem, as I see it, is simply the UK's sheer success within that Union. EU nationals come to the UK to work, to develop professionally, to make a contribution to society – a positive contribution. They do that here because of the English language, a growing economy and a flexible labour market. My own daughter has just returned to Dublin, having enjoyed three years' work not a mile from where we're sitting this afternoon. She decided that she'd return to Dublin. I have to say that both her mother and myself are already of the view that her heart is in the great city of London and she may well return, like many other EU nationals, to work and forge their careers here with you in London.

But the key point here is that in general, EU migrants move to other countries, including the UK and Ireland, in order to work hard, to find opportunities to better themselves, to find opportunities to better their families. In some cases, to do jobs that our employers can find difficult to fill. Do some come in search of welfare handouts? Perhaps a small minority do. But the vast majority come here to work.

Of course, where there are abuses, the matter of freedom of movement, this should be addressed. To do otherwise would risk weakening the principle and popular support for it. That's why we are prepared to

consider proposals here on their merits. We need to be careful though, right across the European Union, that we don't tar honest jobseekers with any 'welfare tourism' brush. That would be a grave disservice to those whose only motivation is making a better life for themselves and for their families. It would unnecessarily complicate our collective efforts to prevent genuine abuses when they occur.

Leaving aside the issue of abuse, it may well be that there are aspects of the UK's welfare system and labour market which make it more attractive to genuine jobseekers than other destinations. This is a highly complex question. Maybe as a matter of policy, the UK will decide to make changes. But these will have to be applied fairly.

One final point about this: we must be vigilant about the potential for the debate on the European Union freedom of movement to be conflated with the current humanitarian and refugee crisis on Europe's shores and indeed in its neighbourhood. I would particularly emphasize that the two issues are separate and distinct, even if they both reflect the increasingly globalized and interconnected world in which we all now live. The enormity of the wider refugee crisis is not merely sobering but harrowing, but we can't allow our societies to become unnerved by its scale. We in the European Union should instead face it head on. We should face it shoulder to shoulder. A comprehensive solution that addresses both the push and the pull factors will require both patience and commitment. This is where British leadership could prove invaluable, given the global reach of the United Kingdom, its development network and its capacity to wield and exert influence both within the European Union and well beyond its borders.

I want to turn now, if I can, to some reflections on Irish referendum campaigns, because I believe it's important that we deal with the substance of the referendum and the issues upon which people will be asked to make a decision. But on the other hand, that we give sufficient time and emphasis and planning and strategy to the actual management of the campaign itself. None of us here knows yet the exact date of the poll but we all know the question. Indeed, the precise wording of that question has been considered in Westminster this afternoon. But we certainly know the scale of what's at stake.

We in Ireland hold something of a record when it comes to referendums on Europe. We know the circumstances of each were unique to us, just as your poll will be particular to the United Kingdom. We realize that what might work in one body politic could yet utterly fail in another. But it might still prove helpful to reflect on our own campaign experiences as your own referendum begins to appear in the horizon.

In Ireland, when campaigning on European referendums, many of them relating to very lengthy and complex treaties, we had to stay focused on the big picture. We learned that most people spend very little of their time thinking about the European Union – quite understandably. They are not often enthusiastic about engaging with dense, complex legal tracts, even if they may excite some of us here in the room this afternoon. Many of them tedious, lengthy, legal jargon. But in such circumstances, it can be useful to begin with the context and the principles that underpin what has become the European Union at its foundation. When we think of a continent torn apart by regular wars and contrast that with Europe today, we can see how much the European Union has already contributed and how it continues to contribute to peace, democracy, mutual understanding across Europe. I sincerely believe that we must not be complacent about the positive transformation effects the Union has delivered for the people of Europe.

However, referendums on the European Union are less about what came before and more about what lies ahead. So the capacity of the Union to help deliver stability and prosperity in the future, of which I am convinced, will surely be one of its main selling points. We know though from experience that it can be challenging to explain the benefits of the Union, whether it's a new treaty or whether it's membership of

the Union itself. In today's busy world, the era of Twitter and Snapchat and Facebook, how can one communicate the benefits of something as broad and as deep as the European Union? Those who feel positively about the Union often take it for granted. The fact that membership is widely accepted as being a good thing is often taken as a given. It can be difficult to get people fired up about the European Union, to convince them to engage. Sometimes it can even be difficult to get people to vote on matters pertaining to the European Union. Oftentimes during the course of referendum campaigns, engaged in a door-to-door campaign or meeting people in a shopping centre, I'm told: get on with it. This is why we voted for you, this is why we elect governments. Get on and do the job, you have a mandate to continue in our best interests. We need you to provide the leadership on this issue and don't bother us with these campaigns in the form of referendums. But it's crucial that every effort be made to engage in the debate, to provide the information, to clarify, to explain, and do the very difficult donkey work that's attached in any national campaign.

Analysis of the outcome following the defeat of the first referendum on the Nice and Lisbon treaties in Ireland revealed that many people voted no because they felt they had insufficient facts. Some opponents of the treaties had adopted a clever soundbite: if you don't know, vote no. 'If you don't know, vote no' is a phrase that had often been the bane of my life when campaigning, arguing for change, for endorsement of a new EU treaty. No matter what you said, people said: I just don't understand. But in actual fact, they don't want to understand it. Then they say: we don't know, so we're voting no. Town hall meetings up and down the country can be very difficult endeavours.

What I've learned from this, and what may be interesting in the UK context, is that voters are oftentimes cautious when it comes to change. To use another expression, they may well decide it's better the devil you know than the devil you don't. The Union has its flaws and limitations but it's true to say that a departure from the European Union would be a huge leap into the unknown. That's not scare tactics, it's a statement of fact.

There's another risk, and that risk is that EU referendum campaigns become inextricably associated with the establishment, business, and we hope the main political parties here may be a powerful champion for a vote advocating membership and maintenance of membership of the European Union. But all-party support in the House of Commons, as all-party support on the floor of Dail Eireann in Dublin, is oftentimes a risky place to be, because voters need to hear from a different set of voices and oftentimes new faces. Oftentimes I felt the people are somewhat suspicious if something has all-party endorsement across the floor of the House.

So we need to engage civil society in a most positive and active way. Achievers, for example, in other fields who people respect, who people can relate to. In our referendums, the electorate quite rightly wanted to hear from a range of sources, including civil society groups. They wanted to hear from people they felt they could trust when it came to the big question of the European Union. For some, that might be a respected lawyer; for others, it might be a well-known TV personality. But essentially, my point is that the engagement in the debate needs to go beyond what we can all describe as 'the usual suspects'.

The Irish EU referendum campaigns were also colourful at times and they were divisive. The danger is that campaign claims and counterclaims didn't always add up, and there wasn't the space perhaps within a TV studio to allow for matters to be addressed in a way that could ultimately be regarded as being convincing. The pro-EU side has in the past been somewhat blindsided by spurious claims – for example, that a yes vote would mean conscription into a vast European army, or the introduction of euthanasia, or that the European Union courts would cut the Irish minimum wage. I had one case where a very active

supporter of mine, who never voted for anyone else in my constituency, said: sorry, Charlie, I'm not with you on this occasion – I'm voting no, because my wife has recently left.

What I'm saying is that big attention-grabbing claims on posters, which oftentimes and certainly will continue to catch the public's imagination in a way that sober and sensible yes voters found hard to compete with and hard to counter – we have learned that one needs to move fast to rebut baseless arguments. Because once the terms of our debates became skewed, we struggled in Ireland on many occasions to maintain a grip on the positive argument. The winners were always the ones who framed the debate early and owned the debate throughout.

So fundamentally, I believe a referendum provides an important opportunity for voters to engage directly in vital issues of public policy and make positive decisions about the future direction of their country. In Ireland, our experience is that referendums have helped our voters to become much better informed on European issues, the challenges and opportunities of European Union membership. I hope that the forthcoming referendum in the UK will be an enriching experience for the people of this country and that it will deepen the engagement of Britain within the European Union for the years and decades ahead.

But to conclude, let me say that plenty of work lies ahead, whether it's in the negotiations in Brussels and across EU capitals or the referendum that will follow thereafter. But securing an outcome that will allow for the UK's continued and strengthened presence in the European Union is achievable. I have no doubt that others across the Union also believe the right balances can be struck.

You know where Ireland stands on the issue. We want the UK in the European Union. It's not just to avoid us being substituted for you in EU jokes, having also excellent chefs unfairly lampooned. I've just come from a food fair where I saw the huge growth in the relationship and trade between Ireland and Britain in terms of what we have to offer in terms of our artisan foods. What we want: we want the United Kingdom in the European Union because our union is stronger on account of Britain's presence. Because Ireland and Irish society, business and citizens, benefit from UK's membership, and it reinforces and enriches the remarkably deep bond between our two countries and our peoples. The referendum, no matter what unfolds, will mark a crossroads for the United Kingdom and its people. There is some road to travel before that happens. We in Ireland can't steer the debate along the way but as Britain's friend and partner within the European Union, we will do all we can to help you remain part of the European team. Thank you.

Robin Niblett

Thank you very much, Minister. Thank you for a very comprehensive set of remarks which, as you said, touched on the opening sense of trepidation in a number of capitals of UK partners and EU members. You pointed out clearly the economic risks. You pointed out the political risks and the very specific political risks in the context of our bilateral relationship. You then said we should focus therefore on shared priorities and opportunities connected to the Single Market, trade agreements, less regulation. You did put down a little marker, I thought, which one has heard before, on the welfare issue, as you called it. Immigration and welfare have ended up getting a little intermingled in the case of the set of options available for the UK government. As this government has discovered, as much as it sets targets for what they want to be net immigration, the attractiveness of the UK right now is driving immigrants not just from across the EU but from beyond as well to try to get here.

I thought some of the most interesting aspects of your remarks were from what you said your unique – and it is a unique experience, across the EU – 24 referenda that you've participated in, 8 related to the

European Union. I thought your comment about the public not being interested in all the detail and saying, it's up to you, you guys deal with it – and then saying, but if you don't know, vote no – it's like you're caught on the horns of a dilemma. You're damned if you do, damned if you don't. So as you said, it's very important for those who want to frame the debate, to frame it early (whether you're in or out) and then be consistent from then on. That's obviously the phase we're entering now, as you will have seen from the newspaper headlines. I think the sense of 'back to school' after the summer break, you are going to see now the UK engaged in a much more active debate starting right from here.

We've got a good half an hour roughly for questions.