

No frontiers

North-south integration in Ireland

democratic
dialogue

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Preface

This is the 11th report from the think tank Democratic Dialogue. DD gratefully acknowledges the generous support of its funder for this project, the EU Special Support Programme for Peace and Reconciliation, via the Northern Ireland Voluntary Trust.

The project represents a partnership between Democratic Dialogue, based in Belfast, the UCD Business School and the Combat Poverty Agency, both based in Dublin, and Co-operation Ireland, based in both. DD appreciates the kind co-operation of the partners, without which it would not have been possible.

It is a project to look at the challenging area of the future of north-south institutions and networks in Ireland in a European context. The raw material for this publication stemmed from a round-table which took place in Monaghan, near the border, over two days in March.

The views expressed in this report are, as ever, the responsibility of the authors

alone. The final version greatly benefited from comments by Paul Teague, Tony Kennedy and John Bradley. Further copies are available from the address on the inside front cover, price £7.50 (£10 institutions, £4.50 unwaged), plus 10 per cent postage and packing.

Comments on the publication are welcome. Anyone wishing to be kept informed of future DD events and publications should also contact the office so that they can be added to the mailing list. **DD**

Executive summary

There are, potentially, no limits to the extent of north-south integration in Ireland.

By integration—a word borrowed from the European Union context—we mean a process of ever-closer relations between the two states in Ireland, which nevertheless does not inexorably lead to a ‘super state’ of nationalist dreams or unionist nightmares. The aim is rather to remove all hindrances which the border presents to economic co-ordination, social cohesion and cultural reconciliation.

This integration process has so far largely been confined to a business agenda and a technocratic approach. The Belfast agreement establishes the basic institutional architecture of a much wider process, via the North South Ministerial Council and the implementation bodies. It also creates the possibility of real dialogue between civil society and these north-south institutions.

But this means that the initial six areas of policy co-operation and six implementation bodies agreed between the northern parties in December 1998 should in no respect be seen as placing a ceiling on the extent of integration. And it is important that the consultative forum hinted at in the agreement is indeed established alongside the new institutions—and that consultation is taken seriously, as and when it is.

In particular, it is important that the new north-south architecture is not overly dominated by politicians. Non-governmental expertise will be crucial and the approach should be one of problem-solving, rather than the lowest-common-denominator, negotiation style, which constricted the pre-December 18th talks.

Achieving progress in any area is also dependent on widespread participation. European experience shows how everything from the free movement of labour to mutual understanding depends on

attracting the interest of individual citizens.

The wider European picture is itself evolving. Crucially, the experience to date of cross-border co-operation—essentially local in scale, like the operation of the INTERREG programme in Ireland—has indicated the need for a broader perspective, of spatial planning and trans-national co-operation. Otherwise, co-operation can simply lead to new boundaries between those areas within and without cross-border schemes.

The European Commission is seeking to rationalise its initiatives in this area. INTERREG would be absorbed into a larger programme also supporting spatial plans prepared by trans-national bodies. The NSMC, and the EU programmes implementation body in particular, could offer ideal mechanisms in this regard—resolving, in the process, the otherwise opaque question of how the NSMC would relate to the EU as the Belfast agreement proposes.

The unprecedented opportunity created by the fiscal buoyancy of the ‘Celtic tiger’ on the one hand and a political settlement in Northern Ireland on the other should be exploited to begin to construct a medium-term, all-Ireland spatial plan, going beyond the ‘common chapters’ approach adopted hitherto. This should focus on upgrading the infrastructure of Ireland in the broadest sense—including,

for example, energy and telecommunications, as well as more obvious transport links. This would be in line with recent economic emphasis on the supply-side and agglomeration effects.

Linked to this should be a drive to enhance the human and social capital resources on which the island as a whole can draw. This should include a strategic focus on upgrading the quality of the workforce, especially in terms of the socially excluded, and participation in it—including via extensive childcare provision. A related aim should be to establish a free labour market in Ireland, through measures such as common post-16 accreditation arrangements.

This should also be associated with a radical reorientation of the northern economy towards a high-technology (and high-wage) path, like that on which the south has embarked. This entails pressing hard Northern Ireland’s specific case for being inside the euro zone, if it is not to see post-agreement inward investment diverted elsewhere (including to the south), and pursuing a rapprochement between the two industrial incentives systems—perhaps ultimately leading to a single inward investment agency for the island. In any event, the key objective is developing Ireland as a whole as a global economic platform, including the central task of developing adequate

small-and-medium-enterprise supply chains for internationally trading firms.

The restriction of existing north-south programmes largely to the north and the six border counties in the south is out of sync with the demands of the post-agreement architecture. Without prejudice to specifically cross-border projects—especially those dealing with issues of exclusion arising from proximity to the border—initiatives with an all-Ireland economic or reconciliatory dynamic should be able to win financial support. The guidelines for the forthcoming tranche of the EU ‘peace package’ should be loosened to allow intermediary funding bodies in these domains to support island-wide projects.

Reconciliation, however, is a broader public and civic duty and it is remarkable that it figures nowhere in the 12 areas so far designated for north-south co-operation or joint implementation. This points to the need for the remit of the language implementation body to be widened to embrace the broader domain of culture and reconciliation. Its aim should be to explore new, post-nationalist and inclusive, notions of ‘Irishness’. Specifically, it should operate a budget to support non-governmental reconciliation efforts across the island, which will in any event become a domestic responsibility when EU support comes to an end.

All institutions in Ireland—not just governmental, and certainly not just northern—need to address their responsibilities in this area. In particular, the education system, the churches, the media and sporting organisations have much to do. Many of these challenges—such as the need for the churches to engage in ecumenical training—will be institutionally painful. But the prize is a great one—an Ireland finally at peace with itself. **DD**

Introduction

Robin Wilson

No one should underestimate the difficulty, any more than the desirability, of closer integration between the two parts of Ireland.

At the outset of his monumental *A History of Ulster*, (Bardon, 1992: 11), Jonathan Bardon describes the “defensive wall” which marked off Ulster fully two millennia ago: “Described on maps as the Dane’s Cast, it begins in the east near Scarva on the Down-Armagh border; the next section, known as the Dorsey, stands at Drummill Bridge in south Armagh; it continues into Monaghan near Muckno Lake, where it is known either as the Worm Ditch or as the Black Pig’s Dyke; and further short stretches extend through Cavan and Fermanagh to Donegal Bay. A tradition survives that it was ploughed up by the tusks of an enchanted black boar; archaeologists, however, have proved this great

linear earthwork to have been a series of massive defences, not continuous, but guarding the routeways into Ulster between the bogs, loughs and drumlins.”

Similarly, reflecting on nearly four centuries of modern Irish history, Roy Foster focused on what he called the “special nature of Ulster society, and the imprint of Ulster’s peculiar history of partial settlement, evangelical commitment and uneven industrialization”. His period ended with the demise of the power-sharing executive of 1974 over the ill-fated Council of Ireland, and he concluded (Foster, 1988: 592): “This proved that populist opposition to closer involvement with the Republic was not manipulated by an elite in Stormont but had its own dynamism.”

The question appears afresh in the wake of the Belfast agreement. Can advocates of north-south integration—not the same thing as advocates of a united Ireland—overcome the practical

and political challenges they face? Can the ‘Sunningdale syndrome’ be laid to rest?

The answer this report gives is a realistic but confident yes. Twenty-five years on, the two parts of the island have an opportunity to remedy the failure of 1974 and to issue in a period of economic co-ordination, social inclusion and political reconciliation. The vision, in every meaning of that phrase, is of an Ireland at peace with itself.

Like the construction of Europe, it will take decades, it will realise no utopian political schemes, and deep-seated concerns about new concentrations of power will have to be patiently addressed. The biggest enemies of the process, after unionists harbouring paranoid fears, would be (as in 1974) nationalists who confirmed them.

The republic and the UK became members of the (then) EEC at the same time, exactly one year before the ill-fated power-sharing executive was established. If the latter only lasted five months, the (now) EU has recovered from its ‘sclerosis’ of the 70s towards further integration steps in subsequent decades, notably towards economic and monetary union.

Undoubtedly, in the interim, co-operative initiatives have greatly developed in Ireland, and EU schemes have been to the

fore in supporting them—principally INTERREG and the Special Support Programme for Peace and Reconciliation. But as Colin Stutt comments (Stutt, 1997: 138), “While particular initiatives have moved forward effectively, little of the co-operation has been strategic in nature—rather, it has been opportunistic and funding-driven.”

This report sets out a strategic agenda for north-south integration—in terms of the substance of what is involved and the processes required—in the broader EU context. And it makes clear that a range of actors—not just governments—have a critical role to play.

It begins with the scene-setting. John Fee sketches out the post-agreement political architecture and highlights the already-extensive administrative co-operation between the two parts of the island, there to be built upon.

Dominic Murray charts the different levels—variously inter-governmental and non-governmental—at which co-operation takes place. He emphasises the need to avoid political domination of new structures.

Thomas Christiansen explains the evolution of thinking within the wider EU, from cross-border co-operation to transnational spatial planning. An irony both these last chapters raise is that new

borders can be created by efforts to transcend them—Christiansen aptly represents the resulting map of bafflingly complex arrangements as ‘Maze Europe’.

Moray Gilland, representing the European Commission, helpfully writes of the rationalisation of the alphabet soup of programme acronyms, in a manner suggestive of how the new North South Ministerial Council and the implementation body for special EU programmes could engage with the European institutions.

Rob Meijer, representing EUREGIO, brings us back down to earth with an account of the diverse ways in which as many as 150,000 Dutch and German citizens are engaged every year by this co-operative venture.

Moving back on to the Irish canvas, Geoff McEnroe and Harriet Kinahan explain, in similar practical vein, the contribution of business and voluntary organisations, respectively, to co-operation hitherto. They both stress the need for new institutions to add to, rather than supplant, this work within civil society.

Looking into the future, Rory O’Donnell writes about what we can learn from the institutional evolution of the EU, as to how best to make the institutions work so that north-south integration becomes a reality. He indicates the need for a problem-solving approach,

rather than mere bargaining, and the involvement of external expertise.

Hugh Frazer develops the scanty reference in the Belfast agreement to a possible north-south consultative forum, detailing the rationale for such a body and how it might be composed. He suggests it should be a totally new structure with a flexible *modus operandi*.

The concluding chapter places the evolution of north-south integration in a (non-threatening) political context, anticipating a political formation of a new type that may transcend the age-old polarisation between United Kingdom and United Ireland. It links the process to the changing nature of governance and discusses a wide range of areas in which real progress might be envisaged. ■■

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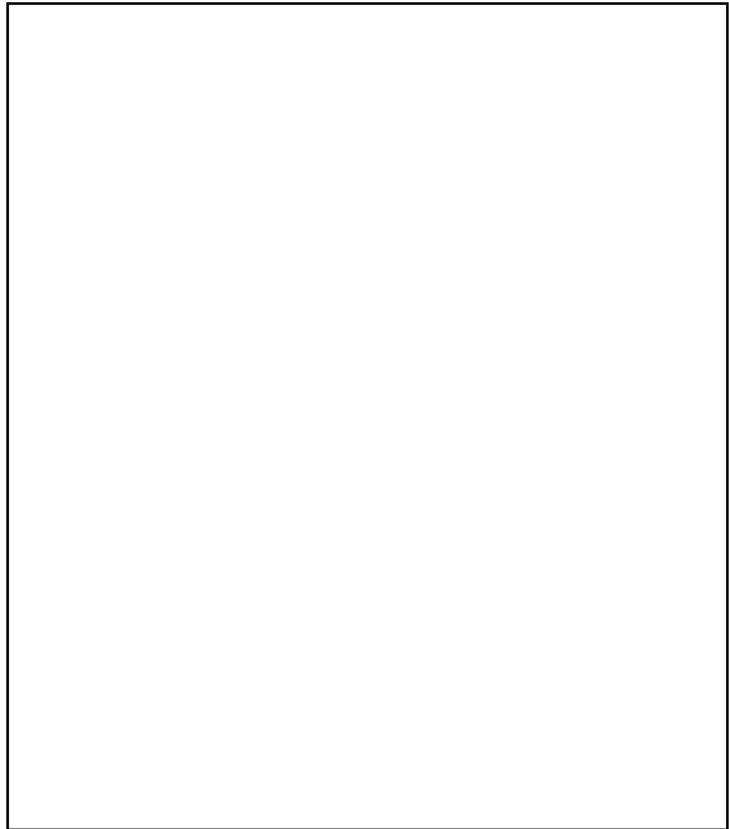
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An official view

John Fee

Recently I had cause to travel to Dublin with a group of Newry businessmen. On the way down we were trying to remember the name of one of the TDs in Co Donegal whom none of us could recall. A voice from the seat behind said: “Surely it’s Cecilia Keaveney.” I turned around and the voice was that of Danny McNeill of the Northern Ireland Department of Agriculture. He was sitting with five or six colleagues, on their way to meet counterparts in Dublin to put the finishing touches to some of the proposals for the north-south body on agriculture and the areas for co-operation.

On the way back, the first person I saw when I got into the carriage was Deborah Agnew, a Northern Ireland official in the Department of Finance and Personnel. She had been to see the equivalent Dáil department to look at



Cross-border traffic—north Down meets Donegal town

accounting procedures for the new Assembly. And when I arrived in Belfast, the first person I saw when I walked through the door of Parliament Buildings at Stormont was Wally Kirwan from the taoiseach's department.

This gives some indication of the level of contact between the northern and southern administrations, and the complete change in attitude within both civil services when they consult on an hourly basis. In the north we are thus benefiting from the experience of two sets of civil servants—plus, indeed, those working on the arrangements for Scotland, Wales and, potentially, some of the regions in England.

The structures being put in place are at a very advanced stage. It may appear from the outside that there has been a very long hiatus but in fact quite a lot of work has been done. Most of it is domestic, but all is absolutely essential to the new institutions.

At the heart of these is the new assembly. We have been able in the last number of months to put in place all the support services a legislative assembly would require. We have recruited some 140 members of staff. We have put in place the people who will run the committee system for the scrutiny of government departments and legislative purposes. We have put in place all the

library and research services and a communications system which will allow the public to access our parliament by internet and e-mail.

We are essentially creating a 21st-century, modern, professional assembly. We will probably end up with a more accessible and accountable parliament than Westminster or the Dáil—and, indeed, they have been sending their officials to Stormont to take a look at the procedures we are putting in place. So even at that level there is quite intensive co-operation.

Obviously, a number of these institutions cannot come into existence until immediately after devolution takes effect but they are already posing enormous political questions. The British-Irish Council is being created to allow the devolved parliaments within Britain and Northern Ireland, the Dáil, Westminster, the Isle of Man and the Channel Islands to co-ordinate their efforts, and perhaps to sing from one hymn-sheet on European issues. But who will represent Northern Ireland at the Council of Ministers? Who will represent Scotland? Who will represent Wales?

And how, in European terms, will that council be able to co-ordinate the jurisdictions which are within the EU, alongside the Isle of Man and Guernsey which are not? These questions are obviously very fraught and potentially introduce

the idea that England, Scotland, Wales, Northern Ireland and the republic would be going to Europe ... all with different agenda.

Let me turn to the issue of changing attitudes, to the question of community relations. One of the ideas behind the Civic Forum was to try to give a direct role to the non-political players, in influencing the direction of social and economic policy—all those issues that are properly the domain of the civic partners and civic society. In writing the Good Friday Agreement, and latterly in writing the Northern Ireland Act and in determining what precisely would be the practical effects of some of its clauses, it rapidly became clear that there was no clear definition of what community relations is about.

Take education, for example. The primary school in Crossmaglen has never been able to find a Protestant school which would co-operate under the 'education for mutual understanding' programme. There would be children at Protestant primary schools whose mummies or daddies would be in the 'security forces' and to link that primary school with a Catholic primary school in a 'republican area' would be seen as a security risk. So there are certain schools excluded from EMU.

An enormous amount of thought has been given to this but the sum total is that, because this was not resolved, in the determination by the first and deputy first minister reported to the assembly in February community relations is specifically withheld to their office. They will jointly have an executive role in implementing community-relations programmes and supporting community-relations bodies—and, indeed, in trying to encourage a much more proactive relationship between the two (or more) communities.

They will also have responsibility for the administration and funding of the Civic Forum and within the agreement there is a reference to a potential future forum associated with the North-South Ministerial Council. A similar initiative is conceivable in conjunction with the British-Irish Council. So, potentially, there is a mechanism for bringing a much wider representation of society into these new structures.

On the north-south agenda, in addition to the implementation bodies, six areas have been designated for policy co-operation under the aegis of the NSMC but utilising existing arrangements in each jurisdiction. These are in the domains of transport, agriculture, education, health, environment and tourism.

We should be expanding the areas of

co-operation into every discipline where collaborative action between the northern and southern administrations can bring benefit to all sections of the community and tangible improvements in quality of life to both sides. So we would not view the list as being complete, but rather as a logical starting point. We would hope that the necessary trust between the two administrations and between the non-government organisations can be built and that we will be able to see real benefits in the short term—encouraging, perhaps, a broadening of those areas for co-operation.

That is where we stand at the minute. All the main parties are absolutely committed to making sure these structures work. Everything that can be done to make sure they are put in place is being done. It is being done with the greatest amount of co-ordination with the Scottish civil service, the Welsh Office, Westminster and the Dáil and I am convinced it is going to work. The unfortunate reality, however, is that it will all work and come into place, literally overnight ... or the whole thing will collapse, literally overnight. **DD**

Tracking progress

Dominic Murray

The conflict in Northern Ireland is all about trust—or, rather, the lack of it. It has been perpetuated through unchallenged axioms as to how people on both sides of the border view each other.

For example, on looking south many unionists imagine a ‘sleeping lion’, waiting to pounce on the north if defences are even marginally lowered. Experience suggests that the culture of the republic is typified much more by apathy than acquisitiveness, yet this perception continues to engender the ‘not an inch’ response.

In the republic, meanwhile, the ‘unfortunate northerner’ can sometimes be regaled with such commiserations as ‘we can’t understand why you can’t live together up there’. Such remarks may seem incongruous, being articulated in a country which—only comparatively recently—experienced a bloody rebellion,

followed by an equally bloody civil war. But then it is easy to advocate tolerance if no threat exists.

A leading northern politician once confided that on his many visits southwards people related to him well until he began to demonstrate that he was, indeed, a unionist. In the republic, unionists are often seen as somehow misguided in their desire to be associated with ‘the old enemy’—and any proposed ‘solution’ is thus perceived largely as a case of making unionists aware of the error of their ways.

Within Northern Ireland itself, perceptions and institutional identities—just as strongly held, and equally distinct—similarly hold sway. Unionists remain vigilant against any ‘slippery slope’ forwards to a united Ireland, while nationalists are wary of any slippage backwards to the bad old days of unionist domination. It is these emotions which have made the conflict so intractable and enduring.

These cross-border images are, unfortunately, as strong as they are ill-informed. They significantly influence relations between the two parts of Ireland, especially at a political level.

But there are new perspectives on identity in Northern Ireland, arising from the growing scrutiny of the concept of the 'nation-state'—particularly since the breakdown of the former USSR. Within these discussions, the state is most often defined in terms of geographical boundaries, with politics, law and citizenship essential elements. The nation, on the other hand, is seen as a construction from such ingredients as culture, ethnicity and sometimes religion.

Simply put, statehood implies citizenship while nationality suggests ethnic affiliation, and a nation-state is claimed to exist when all those living within the borders of the state identify with it—a polity where juridical and ethnic boundaries coincide. France and Spain are often put forward as ideal-type nation-states, though it is questionable (as Bretons and Basques would contend) whether this is in practice fully achievable.

In Northern Ireland, unionists identify with the state and relate to it as their (British) nation. Nationalists differ on both counts, tending to identify with an all-Ireland entity and viewing that as

their natural nation.

Caird (1985) argues that national identity supersedes the requirement of submission to the prescription of the state, though there have been times in the histories of most European nations when the state has restricted some of its citizens' expressions of their identity. Northern Ireland nationalists might point to the 1954 Flags and Emblems Act in this regard, while the Orange Order might cite the restriction of its 'traditional' freedom to walk the Garvaghy Road in Portadown.

Problems tend to emerge when emblems of power and authority are paraded as tokens of national identity and given chauvinistic expression. It is not difficult to find examples of such action on both 'sides' in the recent past. In this context, the main task of the Northern Ireland Assembly, in attempting to develop a state more acceptable to all, will be to moderate these definitions of identity and accommodate different perceptions of nationhood.

Here a further conceptual innovation of recent years is also valuable—the notion of 'governance'. Accommodation is essentially an attempt at achieving good governance. This concept takes in the state but transcends it to include civil society and the private sector.

All three strands are critical: the state

creates a conducive political and legal environment; civil society facilitates political and social interaction by mobilising groups to participate in economic, social and political activities; and the private sector generates jobs and income. The central premise of good governance therefore is *inclusion*: all sections of the community should be involved in the developing state, especially those which may have been hitherto excluded.

Such inclusion would seem incontestable in theory, though in Northern Ireland it might be argued to entail the full participation of former paramilitaries in political and social life, the introduction of a widely accepted police service and reintegration of prisoners into society. These are the very issues which are proving so intractable for the embryonic assembly.

The departmental structures and north-south arrangements agreed by the parties in December 1998, if they are best to contribute to the search for lasting peace, should be conceived in the context of these three aspects of governance. In this light it is helpful to refer to the similarly differentiated character of diplomacy.

Track I (top-down) diplomacy refers to institutional initiatives and government-to-government negotiations. The Anglo-Irish Agreement, the Downing Street

Declaration and the December 18th agreement are examples.

Track II (bottom-up) refers to sub-political endeavours—to bodies existing exclusively or primarily to develop strategies and create an environment for the resolution of conflict. Co-operation Ireland, the Community Relations Council, Democratic Dialogue, the Northern Ireland Voluntary Trust and the Glenree Centre for Reconciliation are all instances.

And one could add a third track. This would refer to groups with no particular concern for peace or reconciliation but which engage in cross-community or north-south co-operation as a result of a shared interest (such as in business, sport or music). This common interest may be strong enough to transcend cultural, religious and political differences. After all, the conflict (and peace) is the responsibility of the whole people of the island of Ireland.

TRACK I

The December agreement identified six areas for north-south co-operation through existing arrangements: transport, agriculture, education, health, environment and tourism. And six more were designated as appropriate for ‘implementation bodies’ (executive agencies): inland waterways, food safety, trade

and business development, special European Union programmes, language (Irish and Ulster-Scots), and aquaculture and marine matters.

As the Social Democratic and Labour Party has pointed out, to date much north-south co-operation has been essentially *ad hoc* (SDLP, 1999): “It has lacked overall co-ordination and has not been addressed on a strategic, medium to long-term basis and still suffers the inhibiting effects of the different bureaucratic and fiscal systems that operate on both sides of the border.”

The North-South Ministerial Council in general and the trade and business development body in particular will serve to exchange information and co-ordinate work in areas which the two administrations agree are in their mutual interest. Specific responsibilities include promotion of north-south trade and supply chains, cross-border trade events and enhancing all-Ireland market awareness.

Not unnaturally, all of the bodies smack of a track I mentality, given their structural character. The ministerial council should be aware, however, that potential attitudinal problems lurk within them—to underestimate these would be a cardinal error.

A salutary lesson has been the all-Ireland tourism campaign (Fitzgibbon, 1998). This was launched in November

1996 with the support of Bord Fáilte and the Northern Ireland Tourist Board. When Fianna Fáil and the Progressive Democrats replaced the ‘rainbow coalition’ the following year after elections in the republic, the taoiseach, Bertie Ahern, gave responsibility for tourism to Jim McDaid of FF. Mr McDaid decided that there was something missing in the tourism campaign—the shamrock, which had been subtly replaced by a logo representing an embracing couple. By ordering the reinstatement of the shamrock, he sparked a small-scale diplomatic crisis.

The NITB had contributed £500,000 towards the all-Ireland rebranding and was not going to be railroaded into backtracking. With the Northern Ireland minister, Adam Ingram, accusing Mr McDaid of “unilateral action”, the board confirmed it would retain the old logo.

Fitzgibbon comments that the *débâcle* was hardly an advertisement for north-south co-operation. It represents a warning that initiatives which are not properly considered, or sufficiently sensitive to different attitudes, actually have the potential to do more harm than good.

A further point of no little concern is the fact that not one of the proposed departments or north-south bodies is specifically directed at track II activities, eroding ‘enemy images’ and promoting reconciliation. Indeed the only place for

this in any of the structures is the inclusion of (northern) ‘community relations’ along with fully 25 other spheres of activity within the office of the first and deputy first ministers.

It is to be hoped this is not indicative of the assembly’s priorities. For the extent of consensus behind such initiatives will be much more likely to determine their success than any sophistication in their construction.

Finally, while the NSMC will be composed of formal political representatives, the other proposed north-south bodies will be greatly enhanced if such representation is at a minimum—thereby removing potentially off-putting political baggage. They should rather include experts in the respective fields.

This will be especially important for the consultative north-south civic forum, should it be established. It behoves those non-governmental organisations already active in the field to ensure that they are involved and their voices heard in the appropriate areas.

TRACK II

Two main approaches can be employed to address frustration and grievance in any society. Structures can be reformed in the hope that attitudes may change. Yet no structural change can succeed in a democracy without concomitant

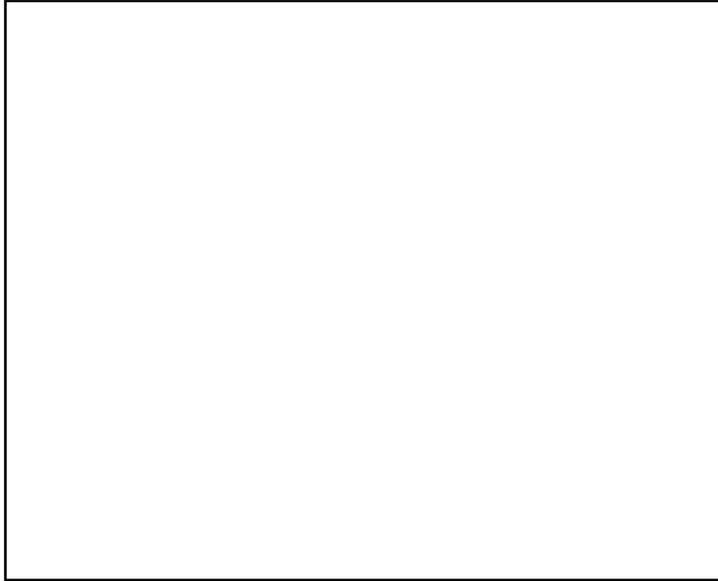
popular support. It is here that the second dimension, building a strong civil society, becomes important.

In this context, Northern Ireland may have an advantage over other states where conflict has occurred. McCabe (1999) contends that the introduction of ‘direct rule’ from London meant regionally-elected politicians no longer had decision-making powers and responsibilities. This ‘democratic deficit’ allowed (even necessitated) a range of alternative activities to develop: “Northern Ireland has witnessed the growth of a vibrant civil society—community-based organisations, business and trade unions who became used to policy development and lobbying government directly, so leapfrogging over local politicians.”

Ideally, both top-down and bottom-up initiatives should proceed simultaneously, and with equal status. But in the Irish case the former have received more attention and been accorded a higher profile.

It is true that more support of all kinds has been afforded to track II bodies in Northern Ireland than in the republic. This may be a consequence of the traditional southern view that the conflict is a ‘northern’ problem. The huge amounts of money directed towards the region through funds such as the International Fund for Ireland and the EU

Dominic Murray faces the stereotypes



‘peace package’ may also be responsible.

In this context, it is gratifying to note that in April 1999 the Department of Foreign Affairs in the republic announced an eight-fold increase in the funding directed towards the work of peace and reconciliation bodies.

The EU special support programme has been described by the outgoing regional affairs commissioner, Monika Wulf-Mathies, as ‘bottom-up’ in emphasis. And there is no doubt that the ‘peace package’ has involved a larger proportion of the population in decision-making than

hitherto. The objective was to reach out over the heads of squabbling politicians to see if ordinary people could be persuaded to work together at the grassroots.

It has been argued that the decision-making process has simply been shifted from formal government departments (track I) to NGOs such as Co-operation Ireland, the Northern Ireland Voluntary Trust and the Combat Poverty Agency (track II), with little power devolved to groups already otherwise active on the ground (my ‘track III’).

This is not, however, borne out by the mid-term programme evaluation by NIVT (1998) which suggested that 60 per cent of beneficiaries claimed to have played a major role in developing and implementing projects. The allocation of comparatively small seeding grants, providing an access point for small and relatively undeveloped groups, has also helped in this regard.

Yet while the next round of structural funds and a ‘PEACE II’ programme will broadly sustain Northern Ireland’s receipts from the EU in this domain, the responsible actors in the European institutions are anxious that the region does not develop a ‘dependency culture’. In the medium term, especially in the context of EU enlargement, funding can only decline. Projects will therefore increasing-

ly have to demonstrate their *intrinsic* merits, rather than depending on vague and largely unquantifiable aspirations towards reconciliation.

In this environment, the implementation body with responsibility for common EU programmes may play an increasingly vital role. The SDLP document *Innovation, Investment and Social Justice* (SDLP, 1999) argues that the body will be in a position to contribute in highly significant ways through such initiatives as INTERREG III, LEADER III, EQUAL and PEACE II. In particular, it will have a central role in devising the common north-south submission for the coming round of structural funds. The document also claims that the partnership approach to implementing much of the peace-and-reconciliation fund has had a cohesive effect at local level and that this should be considered for wider application in the context of EU or other community-based programmes.

There may be negative long-term effects on the intermediate funding bodies of the handling of such funds. NIVT has expressed concern that its new responsibilities might undermine its independence and distort its priorities, and that the vastly increased availability of relatively short-term resources may overshadow the necessary *qualitative* support for community development. CI

may have similar cause for concern.

Of equal import in this regard are the criteria which these major funds impose on applicants: by and large, the latter must be located in Northern Ireland or the six border counties in the republic. Yet this implies that need is greater there than in the rest of the island—in terms of knowledge and mutual understanding of ‘the other side’, the reverse is likely to be the case. And what has been achieved, arguably, is the drawing of a new border on the island, one county south of the political boundary. This policy should be reconsidered.

On the other hand, there is no doubt that the funding has made a significant contribution to reconciliation. While much of what has been achieved is unquantifiable, Smyth (1998) contends that by making much of the money conditional on the creation of cross-community partnerships and by pumping cash into the non-governmental sector, the EU hoped to foster a climate which would support a political process conducted at another level.

Dougal (1998) points out that 20,000 applications have been made for cash and 11,000 grants approved. If each group involved only 20 people, that represents an engagement at some level of nearly 250,000 people with projects aimed, at least in part, at reconciliation.

It is anticipated that the EU-programmes implementation body will have managerial functions in respect of INTERREG III and north-south elements of other programmes. The time may be opportune for bodies such as DD, NIVT, CI, Glencree and so on to re-evaluate their objectives, identify their strengths and ensure they play an increasing role in any proposed initiatives. This has particular relevance in the context of representation on the possible north-south consultative forum.

In recent years, through its strategic plan, CI has been engaged in exactly this kind of process. Its emphasis now is on development and long-term sustainability, rather than one-off initiatives.

On the other hand, in the light of the proposed new bodies and the changing political climate in Northern Ireland, it is important not to become preoccupied with north-south relationships to the extent that important elements of co-operation within each jurisdiction are overlooked. This is a possible danger in the context of the current publicity and attention accorded to the NSMC, the implementation bodies and the British Irish Council.

This *caveat* is especially germane in the light of separate polls, north and south, published in February of this year (Market Solutions (NI)/*Belfast Telegraph*

poll, 1999; MRBI/*Irish Times* poll, 1999). These not only confirmed continued minority opposition to the Good Friday agreement but also indicated a significant erosion of support in both parts of the island.

More positively, however, the *Register of Cross Border Links in Ireland* (Murray, 1999: 211) notes the emergence of a more permissive climate for north-south initiatives in recent years: “in responses to first edition questionnaires in 1995, many bodies in Northern Ireland referred to their cross border contacts but commented on their reticence to promote them publicly because of the possible ‘political baggage’ that might be attributed to them. In 1998 there seems to have been a significant sea change in this regard. Gone is the reticence to be replaced by forthrightness and pragmatism.”

TRACK III

Track III diplomacy is epitomised by groups with no specific interest in politics or reconciliation who nevertheless engage in cross-community and north-south co-operation out of common interest. The existence of a myriad of such groups in Ireland has arguably served, through the worst of times, to control the conflict and perhaps prevent it spiralling into a Bosnian scenario.

Such groups have received little

attention in ideological debates on political initiatives and institutions. Yet it is almost a truism that top-down strategies will simply not work without acceptance on the ground. The recent history of Northern Ireland is littered with initiatives which foundered as a result of mutual suspicion, unfavourable stereotypes and mistrust.

Stereotypes depend on ignorance: an informed stereotype is an oxymoron. Therefore the first (and essential) rung on any ladder towards the acceptance necessary for innovation or initiative must be an increase in mutual knowledge. Too often in the past, bodies seeking reconciliation have treated their objectives as attainable in isolation.

Yet one cannot have reconciliation without tolerance, there cannot be tolerance without understanding and understanding is impossible without mutual knowledge and awareness. It is very important, therefore, that the departments and bodies constituting the new political architecture pay particular attention to the bottom rung of the ladder.

Track III initiatives provide ideal opportunities. Take the visit earlier this year of the Ulster rugby team to Dublin. Although many claims as to shared objectives—even shared identity—surrounding the event were exaggerated, it did provide the first opportunity for many

people in Northern Ireland to gain first-hand experience of the city and the reception they might expect to receive there. Many found both surprising and impressive.

There are many instances of track III co-operation—*The Register of Cross Border Links in Ireland* identifies more than 500 organisations—and these are likely to increase as and when the implementation bodies are established. Perhaps the most common example of diplomacy is the everyday north-south contact involving industry and commerce.

A lot of this is supported by the Joint Business Council of the Irish Business and Employers' Confederation and the Northern Ireland region of the Confederation of British Industry, which is establishing a north-south inter-company network. And many firms have developed their own *modus operandi* to deal with north-south relationships.

Recently, several businesses operating across the border have come together, with the help of the IBEC/CBI Joint Business Council, to address the difficulties faced by southern firms recruiting staff resident in the north, given the differential tax arrangements. The *North-South Business News Summary* (IBEC, 1998) is an excellent source on all such activities.

In the world of agri-business, the Irish Creamery Milk Suppliers' Association

has had strong links for many years with the Northern Ireland Agricultural Producers' Association. Recently, the ICMSA launched a north-south forum to promote the interests of farm families in all parts of Ireland. The forum focuses on issues relevant to the mutual benefit of the farming sectors north and south. The Ulster Agricultural Organisation Society and the Irish Co-operative Organisation Society have established a north-south secretariat, training courses for co-operative directors and managers are run jointly, and a north-south co-operative development officer has been appointed.

Golden Vale's headquarters may be in Charleville, Co Cork, but in recent years it has increased its Northern Ireland business, which now accounts for nearly half its Irish activities. Over the years, the company has developed strategies to deal with the problems, of sensitivity and logistics, of trading in a jurisdiction other than one's own.

The opportunities afforded by a strengthening EU have also influenced north-south relationships. Representatives of major farming groups on both sides of the border have suggested that the major influence on their all-Ireland initiatives has been the changing programmes and market context arising from the commission's *Agenda 2000* blueprint. Much research is required to

determine if and when north-south initiatives can optimise benefits from an expanding union.

There are many other examples of organisations which have developed policies and strategies for handling north-south relationships, representing a largely untapped reservoir of experience and expertise. This resource may prove invaluable, given the many remaining impediments to north-south co-operation.

Fitzgibbon (1998) highlights some of these obstacles in claiming that the republic's decision to sign up for economic and monetary union, and its promotion of the 10 per cent corporation-tax rate, will act as a brake on the ambitions of those who seek to accelerate economic co-operation with "sterling dominated" Northern Ireland. The Irish-language requirement for employment in the civil service in the republic might also be seen as not particularly helpful.

Though they do not fit entirely comfortably under the heading of track III, the churches and education have perhaps the greatest potential to contribute, through the breakdown of enemy images, to reconciliation across the island. Research on the churches, and their place in the life of Northern Ireland, remains sparse. This is surprising when one considers that they represent the largest non-governmental institutions in

Ireland, with representation in every part of the country.

As Morrow (1995) puts it, “the clergy are important figures in integrating private and public life in Northern Ireland. They are active at the crossroads between public life and personal concerns. Clergy are involved at every level of public life ‘below’ that of elected representatives.” Faul (1998) sees the churches playing an increasingly interventionist role: “The [Belfast] Agreement itself is a fine document but it exists at a high level. We must work at agreement and co-operation street by street, townland by townland, local area by local area.”

There is no doubt that clergy tend to have an intimate knowledge of their communities and to be held in high esteem. They may thus be most appropriately positioned to engage in micro-social organisation, promoting community relations and community development. They may in fact be the only people in a position to facilitate mutual awareness via cross-community contact, through parochial groups and the like.

They may, however, be ill-equipped to do so. Of equal significance, therefore, is the capacity of clergy to perform such tasks and their expertise in reconciliation. It is vital they are fully apprised as to the contexts within which, and the strategies by which, they can make an

optimum contribution. Information is urgently needed on what initiatives—such as training—might be required to increase their effectiveness. The Centre for Peace and Development Studies at Limerick is seeking funding for a project to study these questions.

Education is also likely to play a major role. The need for increased mutual awareness has been stressed throughout. One of the best ways of achieving this is through increased mobility between the two education systems in Ireland. Yet Murray *et al* (1997) have identified several obstacles.

Respectively north and south, the different curricular requirements for A-level and the Leaving Certificate, and the differing UCAS and CAO third-level admission arrangements, impede the natural mobility of students across the border. As for teachers, different tax structures, qualifications and stage payments remain a problem. While EU legislation has led to the mutual recognition of qualifications, there remains the requirement of Irish to teach in the republic. Although this appears to run contrary to EU directives, it is in fact legal because of the constitutional position of Irish as the first language of the state and other EU regulations with regard to minority languages.

While debates about the role of

education in promoting cross-community and north-south relationships in Ireland have been taking place for years, few (if any) radical reforms have ensued. To enhance awareness, co-operation and entrepreneurship across the island, curricular reform within, and harmonisation between, the two education systems is urgently needed.

As with any *tour d'horizon*, this survey of the demands of north-south rapprochement in Ireland has raised more questions than answers. A concrete agenda for the future could be:

- Might Democratic Dialogue consider the establishment of a forum including bodies and groups of all kinds which have experienced the problems of initiating north-south activities and have developed strategies to address them?
- How can NGOs and others ensure representation on north-south bodies, while maintaining their independence and individuality?
- What can formal government structures do for track II organisations, and *vice versa*?
- What curricular and structural innovations are required in education to increase knowledge of the EU, entrepreneurship and each other?
- Are the various churches playing an effective role in post-agreement Ireland?

- To what extent do legal, financial and social differences impede mobility and economic development across the two parts of the island?
- How do we evaluate and quantify the benefits of co-operation?
- How can we determine when (or if) north-south initiatives can optimise accrued benefits from an expanding EU?
- Is there a need to monitor attitudinal shifts, in relation to emerging structures?
- What role should the media play in a developing Ireland?

Even posing these questions—and others could, no doubt, be added—demonstrates how much there is to be done, yet also what exciting challenges lie ahead.

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The European canvas

Thomas Christiansen

Since the fall of the Berlin wall in 1989, Europe has been faced with what many view as a paradoxical development. On the one hand, there has been the demise of the Iron Curtain, a ‘Europe becoming one again’ after almost half a century of separation. The end of the cold war—and of the ideological, economic and physical divisions it had brought about—neatly coincided with the European Union’s ‘1992’ programme and the establishment of the European Economic Area, between them promising to remove all barriers to movements of people and goods in western Europe. A ‘borderless Europe’ seemed, in many of the commentaries at the time, to be at hand.

Yet this image of borders withering away in the process of integration can be contrasted with a parallel experience of increasing fragmentation. In eastern Europe and the Balkans, states have

fallen apart and their fragments reconstituted, creating new and often highly impenetrable borders. In the EU, states may have maintained their integrity, but devolution has increased internal differentiation and thus enhanced the significance of regional boundaries. The result is the rise of territorial competition in western Europe. Obviously, the question as to whether Europe is less divided than it used to be is impossible to answer in any straightforward way.

Yet what we are witnessing is not a paradox of simultaneous integration and fragmentation. Instead, we need to understand contemporary Europe as an area in which the nature of borders is undergoing fundamental change. The very concept of ‘border’ is being differentiated by function: economic, social, legal, political and identity spaces are increasingly bounded separately. A multitude of border functions previously subsumed by a single border—that of the

‘nation-state’—are being dispersed over borders at a variety of territorial levels. As a result, there are many more borders in Europe, but the quality of individual borders—whether at the regional, state or supra-state level—is changing fundamentally.

There is a further change which is ultimately more significant: the new borders of Europe are not, like old borders, simply dividing lines between jurisdictions. They themselves become two-dimensional spaces and subsequently the object—at times even the subject—of policy-making processes. In other words, the effect of borders in the new Europe is both to divide regulatory spaces and to create new ones uniting policy-makers from either side.

While the new territorial politics of Europe are a significant and valuable departure from the traditional, state-centred perspective of sovereignty, some normative issues related to this transformation remain, however, unresolved.

The concept of ‘border’, of an absolute division into ‘inside’ and ‘outside’, is quintessentially modern—perhaps even one of the defining elements of modernity, not just in political but also in economic and social life. It certainly has defined the modern state system: the principle of territorial sovereignty, on

which states base their legitimacy and power, is otherwise unthinkable. The significance of state borders will be evident to anyone in the modern world who has ever crossed one. Citizenship rights, investment subsidies, welfare payments, military defence, laws, media and so on—all the most crucial elements of modern, public life—end, and begin, at the border.

There are, of course, numerous exceptions and counter-trends. In post-war Europe, hardly any country has relied on its own borders for military defence. Instead, alliances of states have pledged to defend one another, within a common space defined exclusively by this security guarantee. Thus NATO’s area of operations pre-1989 was bordered by the Iron Curtain, the Mediterranean, the north pole and the Tropic of Cancer (NATO Handbook, 1995: 114). Below the ‘nation-state’, federations have always maintained within their territories different regulatory régimes. These have not been insignificant either. The border between one US state and another can, quite literally, be the dividing line between life and death: in roughly half, the criminal code provides for capital punishment.

For those taking a second look it is easy to see, therefore, that non-state borders matter—not just in economic and social affairs, often regulated by ‘soft law’,

but also with respect to the ‘high politics’ of peace and war, crime and punishment. And yet, despite such obvious trends towards internal and external differentiation, state borders continue to be regarded as the sole or ultimate dividing line.

State borders are indeed of pivotal importance for the modern state: they have a profound significance for individual states and for the system as a whole. Yet the image of state borders as the only borders, or even just the most important borders, is in conflict with changing political realities. The image of a boundary separating one state from another, with respect to all aspects of political and social life, has been one of the most powerful elements in the development of modern politics. But precisely this all-embracing imagery might also prevent us from recognising the changes taking place underneath it.

The state- and nation-building which occurred in western Europe, predominantly during the 19th century, was not just an integrative process. More than merely seeking to unite often disparate territories, economies and societies, state-building frequently also implied the disintegration or simply the division of previously united territories, economies or societies (Rokkan and Urwin, 1982; Keating, 1990; Sharpe, 1989). The results

were usually smaller in size and peripheral in relation to the new centres. Such subnational—or, to be precise, sub-state—spaces in western Europe are regions. There is no final definition of region, but for simplicity’s sake we can define regions as bounded spaces with no claim to sovereignty and no autonomous control over flows across their borders.

Where a strong sense of cultural identity among the population prevailed, minorities were thus created on each side of the new state border. Policies to deal with them ranged from assimilation to extermination, as the formation of national identity in support of consolidating state structures took priority. There was no question as to whether they should be made part of the nation—only how this was to be done.

Border economies, equally, had to face a reorientation in the wake of national economies being created around core centres of production and exchange (Hechter, 1975). The construction of centralised and separate networks of communication and transport—huge national projects—was meant to integrate these in what often became mercantilist economic orders. Consequently, ties with older production systems were progressively cut (Majone, 1990).

Most important, perhaps, in dividing pre-modern spaces, was the evolution of

distinct jurisdictions, given the effects this had in all areas of public life—from the foreign-trade implications of tariff policies to the impact on language of education policy. The overall effect of these policies was to combine, in the single line that was the state border, all possible distinctions between territories: language, law, security, identity.

While this always remained an abstraction, border areas or peripheral regions have felt the concrete implications of these divisions, especially since, after the relative calm of peace in western Europe between the Napoleonic wars and the Franco-Prussian war of 1870-71—the period which effectively saw the construction of ‘national borders’—borders came to be seen, increasingly, as lines of conflict and, consequently, as security-sensitive zones. They were the territorial equivalent of ‘national’—warfare-related—industries and were treated accordingly.

The period following the first world war, with its plethora of referenda and special régimes for many of the—newly or otherwise—divided border areas is perhaps the best example of the force, as well as the imperfection, of the state border arrangement. It is hardly surprising, against this background, that European integration was later to be hailed by many, not just as a unification of the

whole continent but also as a unification of previously divided border areas.

The emergence of a growing number of small cross-border cooperation (CBC) schemes in the 60s and 70s was initially not much more than an oddity in the context of the cold war. The Iron Curtain, after all, had quickly become the dividing line in Europe. The attempts by some local authorities to go against the reason of states, with a new type of ‘low politics’, were thought unlikely to have any impact in the long run. To the extent that they were exceptions to the rule, the early instances of CBC arguably confirmed the basic structure of the system.

More importantly, these examples of depoliticised, technocratic and mainly declaratory policy consultation across borders did not turn out to be very dynamic. Doing anything more ambitious than holding regular meetings between officials from either side, exchanging views on issues of common concern, proved highly contingent on prevailing moods in the respective capitals. Most schemes were thus left as if in semi-hibernation: certain co-operative frameworks had at one stage been put in place, and continued to operate, but they hardly ever realised their real potential—to overcome the divisions of borders.

What they did provide was a forum

for social learning among local policy-makers. Only through constant contact were the great differences in administrative culture, centre-periphery relations and fiscal means rendered obvious to all parties. In this way, low-key cross-border endeavours were sensors for the difficulties of integration in general. Not merely political will and opportunity were at issue: fundamental problems were hiding within the state structures, waiting to be activated.

Consider what has proved a highly successful case: the Franco-German twinning system, which now embraces tens of thousands of municipalities in western and eastern Europe. This was a non-territorial scheme, linking distant communities through regular visits and exchanges. Its aim was to bring together and ultimately to integrate civil society. Local governments were involved, of course, but the emphasis has been on schools, associations and families.

It has been an attractive venture precisely because it did not challenge borders, and therefore did not seek to interfere with the regulatory activity of the state. In contrast, projects of a cross-border nature—projects implying territorial integration—were greatly hampered by the ‘stateness’ that such activity called into question. Along the Franco-German border, for example, the

Saar-Lor-Lux co-operation—bringing together regional governments from the Saarland, Lorraine and Luxembourg—was confronted with great difficulties in overcoming differences in the administrative culture, especially between centralised France and federal Germany (Hrbek and Weyand, 1994: 64-66).

A ‘cross-border region’ *par excellence*, Saar-Lor-Lux was founded on the historical affinity of the involved communities, on common production of coal-mining and steel-making, and on shared functional problems resulting from peripherality and economic decline. A regional, cross-border approach to reviving older economic ties, revitalising the economy and seeking solutions to the crisis from other than the national capital was perhaps not an instinctive course of action but was nevertheless a compelling one.

Saar-Lor-Lux and the many other such co-operation schemes in western Europe were novel institutions. It was a bottom-up approach to policy-making, often going against the wishes of the national centre and literally testing the limits of the state. ‘Testing’ is perhaps the best word in this context, since more often than not CBC remained declaratory and symbolic—a means of exchanging information and co-ordinating lobbying at higher levels. Modest attempts at adjusting vocational training schemes,

combining infrastructure projects or otherwise integrating the local economy and society were quickly confronted with the limits imposed by different legal competences, functional capabilities and

budgetary possibilities. In the main, even the more successful projects achieved little substantial policy output beyond tourist maps (Perulli, 1992; Rich, 1991; Scott, 1989).

Even in the 90s, after more than 20 years of experience, observers as well as participants are adamant that substantial progress is severely constrained. Practical difficulties—ignorance of legal systems, conflicts to be adjudicated, language barriers—have to a large extent been overcome. But moving further and giving CBC arrangements substantive policy-making powers remains unacceptable to many states.

The French state, endowed with both absolutist and Jacobin traditions, has been subject to particular tension in this regard. On the one hand, it has it been confronted with numerous cross-border projects at its borders—with Switzerland, Germany, Luxembourg, Belgium and Spain. On the other, it has it long been seen as one of the west European states most sensitive to—or paranoid about—‘fragmentation’.

CBC for France followed difficult historical fault-lines. In the east, the border area of Alsace-Lorraine had twice in this century been annexed by Germany. In the south, across the Pyrenees, lay the ‘minorities’ of Catalans and Basques—nations whose territorial existence France, as much as Spain, had long denied. Giving in to the demands of CBC—devolving some decision-making power to the cross-border ventures—would therefore mean more than just accepting the

dysfunctional nature of borders themselves. It would question the ‘natural’ and ‘eternal’ character of the Hexagon, probably invigorate the peripheral ‘minorities’ at maritime borders (in Brittany or Corsica) and thus also challenge the unity of the French nation and the constitutionally prescribed *indivisibilité* of the French state.

This is not a claim that French decision-makers sabotaged CBC, with such a scheme in mind. The point is that sensitivity about its borders is part of the very structure of the French state. Borders have not just been sensitive to attack and therefore given a specific meaning for national security, but their reification was a crucial aspect of state- and nation-building. The logic of cross-border cooperation was thus bound to be in conflict with that of the state. Consequently, bureaucratic reflexes in Paris did not allow much independent development on this front (Beyerlin, 1988).

Yet, without being able properly to challenge the conventional *raison d'état*, CBC did at least this: it broke the mould and laid the foundations for a new discourse. It did make clear, at least to a limited number of officials, that borders were a problem, even if CBC was not accepted as the solution. And, in the waste-bin view of policy-making, it provided a solution for future problems—a device

that remained present waiting for its time. In this sense, the lack of dynamism in cross-border co-operation is not much of a failure. A novel concept survived in the face of overwhelming (structural) opposition, and thus provided a tool to assist future, more fundamental changes.

If France found it particularly difficult to accommodate CBC, others had less trouble. The more durable and load-bearing structures were built along the German-Dutch and -Belgian borders. It was here, in the framework of several 'EUREGIOS', that CBC went beyond regular (or, indeed, irregular) meetings of local officials and climaxed, in the 90s, in cross-border regional associations, recognised as independent entities in international and domestic administrative law, carrying out a range of 'sovereign tasks'. In this case, CBC had come a long way.

The initial EUREGIO brought together district councils from the German *Länder* of North Rhine-Westphalia and Lower Saxony and from four Dutch provinces. It gave rise to an international organisation, with a secretariat and a set of political institutions—a prime example of how loose co-operation gradually assists the emergence of a 'soft institution' (Lang, 1988).

In 1991, a state treaty (Landtag Nordrhein-Westfalen, 1991) accorded legal personality to EUREGIO, making it an

extraordinary example of CBC. It did not simply occupy some uncontroversial niche and remain in the doldrums, but gradually expanded into a number of policy sectors and achieved the critical mass where institutionalisation and experience spoke in favour of, rather than in opposition to, CBC. Yet despite having a parliamentary body (the EUREGIO Council) organised along party-political lines with an elected president, the EUREGIO eschewed confrontational politics in favour of technocratic policy-making.

The range of its activities includes transport, environment, culture, technology, education and training, tourism and agriculture policies. And, from developing a cross-border economic-development programme it has now, in the 90s, moved to joint spatial planning. The state treaty of May 1991 has put the previously private-law EUREGIO on a public/international-law footing. Such was the implication of this move that the then German foreign minister, Hans-Dietrich Genscher (who, like his Dutch counterpart, Mr Van den Broeck, signed the related state treaty) made it clear this would be a singular event, not a precedent for expansion in the future.

In this process it benefited not only from the decentralised nature of the Netherlands and the federal republic, and their traditionally entrenched

municipal autonomy, but also the experience of intercommunal association on either side of the border. Local officials and politicians had been schooled in cooperative decision-making, through CBC activities where the borders were simply those of their own localities. In fact, the constituent units of EUREGIO are not the more than 100 participating councils, but three local-government associations. With the support of, or at least with no major obstacles from, the respective national governments, it was possible for them to build up a larger scheme across the German-Dutch border (Dentes *et al*, 1997).

It is a clear case of an idea taking hold: what started locally within the ‘nation-states’ but with the capacity to expand, due to the specific conditions present at this stretch of border, has been turned into a hub of wider networks of CBC. Gronau, the border town in which the EUREGIO secretariat is located, now also hosts the EU’s LACE programme, which aims to exchange CBC know-how across the union as well as the Association of European Border Regions (AEBR). It has become a centre and role-model for CBC in western Europe.

LACE (which stands for Linkage Assistance Co-operation for the European Border Regions), is an observatory collecting experiences of CBC across the union,

providing data for the commission and disseminating information back to border regions. This exercise—funded from the EU budget—has been organised by the AEBR, which was founded in 1971 by EUREGIO and other CBC projects as well as individual regions and towns.

In 1985, AEBR in turn joined other inter-regional associations—such as industrial regions organised in RETI and peripheral maritime regions linked through CEPMR—in the creation of the Assembly of European Regions, which was to become a formidable lobbying group preparing the regions’ input to the Maastricht treaty and the subsequent organisation of the EU Committee of the Regions (Christiansen, 1995). In this way, European integration has come full circle—from the abstract plan to unite and make borders permeable, via the tackling of practical problems of this kind on the ground and the creation of ever-widening circles of specialised problem-solving, to the eventual arrival of regions at the European summit and the institutional reform of the EU to take account of regional concerns.

After its disappointing first decade, CBC inspired considerable institutional experimentation. Indeed, it has become one of the most dynamic areas of EU regional policy, with much

progress made and yet still many challenges to come. Against this mixed background, the European Commission seized CBC as a particularly fertile ground for policy-making expansion. The INTERREG I and II programmes of the 90s combined already active instances of CBC with considerable moneys from the reformed structural funds, thus creating the necessary dynamism for substantive change.

The special nature of INTERREG is best understood against the wider background of EU regional policy. This policy was launched in 1975 at the behest of the UK, as a kind of replacement for Common Agricultural Policy funding which would not go to Britain, due to its small agricultural sector. In the following decade, global grants were given to member states who indicated individual projects as European Regional Development Fund projects. For the union, it was a process of ‘showing the flag’ of Europe in the provinces; for the member states it was one more device to receive what they saw as their just return. In this sense, national borders were simply reproduced through the national allocation of funds.

This began gradually to change in the 80s, with pilots such as the integrated Mediterranean projects inaugurating novel administrative procedures and laying the foundations for a fundamental reform in 1988 (Evans and Martin, 1994).

This reform was to combine the structural funds (the regional, social and agricultural-guidance funds) into concentrated spending on a number of ‘objectives’—the needs of regions lagging behind, in need of agricultural regeneration or in industrial decline. Regions in the ‘objective 1’ group (with gross domestic product *per capita* of 75 per cent or less of the EU average) were to receive 80 per cent of the funding. Its distribution, while genuinely regional in nature and undergoing elaborate procedures of development plans and support frameworks, remained strongly tied to member-state influence and the usual log-rolling in the Council of Ministers.

But 10 per cent of structural funding went into ‘community initiatives’—including INTERREG, the initiative for border regions. Here the commission has the final say, and therefore much more freedom of choice in designating the regions and supervising the procedures of decision-making. This policy instrument has thus been favoured by the regions themselves, who frequently felt the interference of their parent states in the spending on the five objectives. They welcomed the more benign attitude of the commission and, with the commitment of both sides and the minimal involvement of member-state governments, INTERREG has become a success story of

European integration (von Unruh, 1991).

Initially, 800 million ECU were earmarked in 1991-93. This was later increased to over 1 billion ECU, making INTERREG the largest single initiative. There was great demand for this money, the commission claiming more than 30 per cent over-subscription. Large projects where of the 'national' kind, motorways linking Portugal and Spain and crossing northern Greece being prominent examples. But there were many smaller projects, too, which tied in with previous experiences of CBC. Along the Dutch-German border, the EUREGIO institutions were charged by both sides and the commission with the drafting and implementing of the operational programme (EUREGIO, 1993).

INTERREG has supported three types of actions:

- joint implementation of cross-border programmes;
- measures to improve relations between public institutions, private organisations and voluntary bodies in border areas; and
- the setting up of common institutional structures (European Commission, 1992).

This last point proved particularly vexed, since the idea of common institutions stretching across borders often clashed with incompatible legal régimes. INTERREG flexibly included support for

networks or private-law constructions, but the management of public funds and the creation of lasting cross-border structures favoured public institutions. For this reason, EUREGIO was a prime example of where one wanted to go, and the special position of EUREGIO, as well as its close link to AEBR, led to the positioning of LACE within it (Wolters, 1994).

Yet even here, in the presence of practised cross-border institutions, the absence of a reliable legal framework was felt to be a problem (Grotefels, 1993). Hence the state treaty referred to above, paving the way for CBC associations between the Netherlands, North Rhine-Westphalia and Lower Saxony, in response to the gaps in the institutional structure that INTERREG exposed.

INTERREG I had its own deficiencies: maritime and external borders were not covered, with only a few exceptions allowed (European Commission, 1994a). The reformed INTERREG II, with stronger emphasis on the external border, more allowance for maritime CBC and an allocation of 2.4 billion ECU—making it by far the largest community initiative—has gone some way towards alleviating these gaps. Yet problems remain with regard to the external border, where both INTERREG and (to the east) PHARE funds can, and should, be used for CBC. A quarter of Polish PHARE money in 1994—59

million ECU—went into CBC projects.

But the value added by INTERREG at the union's internal borders—through the commitment of money that could be spent on either side of the border to an integrated operational programme—is not possible at the external border, whether in the east or along the Mediterranean. While INTERREG funds have to be committed to projects within the union territory, PHARE money has to be spent outside, thus hampering the build-up of common structures (European Commission, 1994a, 1994b)—especially since the administration of these different aid programmes is via different directorate-generals within the commission, DG XVI and DG IA respectively, using different guidelines. Following complaints about the lack of co-ordination, a Joint Monitoring Committee of officials from both DGs has been established to keep an eye on the issue.

When the commission initiated the review of the community initiatives in a 1993 green paper (European Commission, 1993b), a number of things became clear. First, member states—and, consequently, the council—had realised that the initiatives gave the commission considerable freedom (relative to expenditure on the objectives). While abolishing the initiatives was out of the question, the council tried to limit spending on them. In 1989-93 the initiatives had

amounted to 10 per cent of the structural funds. (In the relevant regulation the limit had been set at 15 per cent.) The commission pitched for an equal share of 10 per cent for the enlarged 1994-99 funds, a figure which the parliament—highly supportive of the initiatives—tried to notch up to 12 per cent, and which the council subsequently moved down to 9. Even in the face of contestation the initiatives budget was thus in effect doubled for the 1994-99 period.

Secondly, sectoral initiatives (like RECHAR, RESIDER, RENAVAL, KONVER and so on) had been multiplying in the first programming period—INTERREG, in fact, was only a second-generation initiative. In the green paper the commission sought to concentrate the initiatives on five topics, giving 'transnational and interregional cooperation and networks' special prominence (European Commission, 1993b). In essence, INTERREG moved up in status from one of 15 odd initiatives to one of seven priority areas. With envisaged funding of 2.9 billion ECU, out of a total initiatives budget of 13.5 billion ECU for the period, it is by far the largest initiative (European Commission, 1994a: 8).

CBC has become an established and indeed expanding concern for the union. It has brought together the institutions—the commission and the parliament—with the large and multiplying network

of local and regional associations in the formulation, execution and agenda-setting of a specific and elaborate border policy.

The régime that has grown along state borders as a result of decades of CBC and five years of INTERREG is remarkable. The traditional predicament of CBC, the legal and fiscal discrepancies across the border, was countered through finance and—by way of implementation and technical assistance—establishment of ‘lasting action frameworks’. These factors together—grass-roots experience of the minutiae, considerable sums of money and the generalisation of positive instances of institution-building, like that at the Dutch-German border—have changed policy-making along intra-EU borders.

Borders are not what they used to be: from being dividing lines between separate spaces, they have turned into the reason for co-operation. Instead of defining exclusion, they now define inclusion. The familiar tension of cross-border existence between difference and sameness has been decided, in many areas of policy-making at least, in favour of sameness. Location along the same border—or, in the larger sense of networking across the union, location at some border—has generated extensive co-operation among regions.

At the same time, the complex of CBC and EU regional policies is a confirmation of territoriality—implying, of course, new borders. In a sense, it is fighting fire with fire: the effects of borders are countered by drawing new lines around them. Regions and municipalities that qualify for membership in these new projects are united in a common cross-border region, creating institutions and eventually—if successful—a bounded space for policy-making and politics. A new construction of inclusion and exclusion naturally results.

Predictably, there has thus been debate about the number of municipalities that could participate in INTERREG—counted, in Euro-parlance, in the three NUTS levels of territorial size (European Commission, 1993a). Translated, this was a debate about how far borders reach into the state. Municipalities unsuccessful in their bids to join INTERREG thus became outlying localities—‘out’ meaning here, of course, more ‘in’ with regard to their national state.

In other words, old borders have been changed, and are changing, but they are also spawning new borders—perhaps not that significant, but growing in significance. Border are not disappearing: they are being reproduced and multiplied—there are many more borders now—and, for an increasingly large number of

regions in the union, it is a matter of highest importance whether they are 'in' or 'out' of the map of objective 1 regions (those on which 75 per cent of the more than 140 billion ECU of the current five-year period is spent).

During the enlargement negotiations with the new Nordic members, for example, one of the main sticking points was the precise territorial limits of their participation in regional policies. As a result, a new objective 6 was created, designed to aid the development of 'remote and under-populated areas' in northern Finland and Sweden. With most of the regulatory issues already taken care of through the earlier negotiation of the European Economic Area, the drawing of these boundaries was a major issue for both the commission and the acceding countries—a good example of how participation in the project of integration questions internal borders (Mönnesland, 1994).

Indeed, INTERREG is only a little window into the territorial transformation of the union. The combination of large amounts of EU funding and novel forms of territorial governance to administer them is challenging traditional state-centred politics (Marks, 1991). But this is not the withering away of state or borders. What is withering away is the one-to-one match between the two:

borders=states and states=territorial borders is an equation of the past.

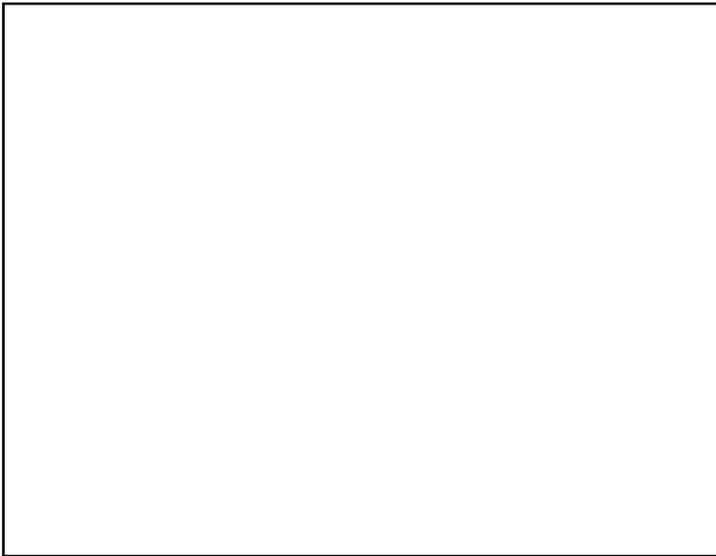
The commission made the obvious point in its green paper that "INTERREG will not, by itself, bring about complete integration. Differences in fiscal and legal systems ... will continue to influence relations between border regions." (European Commission, 1993a: 14). In other words, the effects of state borders can only be fought to a limited extent at a local level. The encompassing nature of any such countervailing effort—the rationale, after all, of the initial integration project, reaffirmed by the single-market programme—demands a complementary, continental approach. The EU is now involved in designing just this.

A sense of scale of the task involved in CBC and an EU border policy grew over time. The more local authorities and the commission became involved in the management of cross-border activities, the more the multiple nature of borders became realised. The complementarity of functional (that is to say, sectoral) integration on a European scale and decentralised micro-projects along the borders was evidently not sufficient to counter the territorial effects of the state system.

EU regional policy and the overall con-

cern with economic and social cohesion that followed the Single European Act went some way to alleviate this concern. Yet with most of the structural funds allocated to member states, regional policy has been an affirmation of national boundaries as much as a counter-force. INTERREG has been the only EU aid programme whose budget is not allocated by country, and, as such, an exception to the rule of national quotas.

INTERREG accounts for just some 2 per cent of the structural funds and this single initiative has been burdened—some would argue, overburdened—with the increasing complexity of managing the



... you are now entering Maze Europe

effects of borders. Since Maastricht, a process of diversification is discernible, with cross-border tasks now being shared between different budgets. INTERREG continues to deal with small and micro-projects along the internal and external borders and thus aims to diminish border effects through investments in hard and soft infrastructure.

The Cohesion Fund, meanwhile, seeks to level macro-economic differences between member states. In a way, it tackles the effects of borders at national level. And the Trans-European Networks (TENS) are designed to identify transport and energy infrastructure bottlenecks across the union and to fill the gaps. Most, though not all, of these bottlenecks or missing links are situated at borders, and an elaborate procedure is being put into place to identify priority projects and organise funding for their construction (Christophersen Group, 1994).

A further influence is spatial planning, a competence which the EU is still in the process of acquiring, and in which, therefore, policy is still in formulation. This involves the co-ordination of national spatial-planning policies, a pan-European vision for spatial planning and territorial management at an intermediate level between the member state and the EU (Williams, 1996). A number of regions—‘trans-regional study areas’—

have been identified in the trend scenarios drawn up by the Committee on Spatial Planning, an intergovernmental body reporting to irregular meetings of national spatial-planning ministers.

EU spatial planning covers the whole of the union territory, mainly in the form of the TENS and the creation of micro-networks of local and regional governments with spatial-planning competence—a new TERRA programme, one of the so-called ‘article 10’ innovations financed from the structural funds, facilitates the creation of such local networks. On the meso-level, a budget line in INTERREG II (INTERREG IIC) is designed to fund projects which target spatial planning in the trans-national study areas and for whom the territorial impact of EU policies (and ‘non-policies’) is spelled out in the commission reports *EUROPE 2000* and *2000+*—such as the ‘Atlantic arc’, the North Sea, the Mediterranean coast, the ‘central capitals’ region, the Alpine region and, more recently, the Baltic Sea.

The finance currently associated with this initiative is very limited: the 500 million ECU of INTERREG IIC is to be shared between this spatial planning, drought prevention and flood protection, and it is financing studies and research more than actual policies. But take the Baltic Sea region. Together with the activity surrounding the TENS—a number of Baltic

projects are identified in the reports by the Christophersen group on transport infrastructure—and the creation and strengthening of policy-making networks on the local level through INTERREG and TERRA, the EU is indeed beginning to have an effect on region-building there. What matters most, though, is less the small beginnings of an underfunded policy—especially as the Scandinavian countries have substantial budgets and regulatory policies for spatial planning—but the design of a novel perspective for policy-making in the region.

The spatial policies of the ECU generate the expectation that planning, regulation and funding of transnational policies will be specifically designed for the Baltic region. The willingness and improving ability of the various partners involved to cross the boundaries not just of nation-states but also the increasingly important transnational groupings—EU, EEA, Nordic Council, the Visegrad Group, PHARE, TACIS—indicates that, despite the numerous divisions in the region, a common framework for policy-making is coming about.

Crucially, this framework—a territorial layer of meso-regions located between the national and the continental level—is closely linked to the integrated development of a number of EU policies. Managing borders, in other words, is now

a competence being executed at a number of levels: local, national and continental. The attempt to bring potentially fragmented decision-making under control has led the argument for a spatial planning role for the EU. It is, without saying so, an element of centralisation—if not of decision-making, at least of information-gathering, agenda-setting and policy co-ordination. While the economic and functional logic of such a planning role for the union is apparent not just in itself, but also from tasks previously acquired, the political and financial implications are immense.

It might be relatively easy to imagine the union's territory as a single space and to draw the resulting spatial-planning conclusion from such an image (European Commission, 1994c). Tackling the remaining borders and divisions within the EU then implies coherent planning, co-ordination of numerous policy instruments and significant investment in trans-European infrastructure. At the very least, it implies that member states restructure domestic planning to take account of what follows from the European 'plan'. Yet transposing such a vision into policy—at a time when both public funds and the legitimacy of the union to take decisive action are in short supply—is a difficult undertaking.

But a spatial planning role for the

union is accepted, even if the implementation of actual projects is not immediately forthcoming. We might be at the stage in development analogous to the early phase of CBC: a new dimension to policy-making is formulated, only to bring to the fore the tremendous difficulties of achieving practical results. But, as with CBC, the foundations for future practice are laid and acceptance of novel politics established. The council has begun to meet also in the format of ministers of spatial planning, while the commission is pushing the issue by producing encompassing reports on 'European territorial development' (European Commission, 1991, 1994c).

In this sense, the institutions are catching up with the way thinking has been developing for some time (Klaassen, 1989; Schmidhuber and Hitzler, 1991). There is an expectation that the union will introduce a new community initiative in spatial planning and that that policy will find its expression (in line with the 1996 revision of the treaty) in primary law. The adoption of a comprehensive European territorial-planning concept is expected even earlier. (Bundesministerium für Raumordnung, 1995).

The move from mere regional policy to a set of measures aimed at integrated territorial development—with the resultant growth in the range of policy tools

for the purpose—is a gradual but significant departure for western Europe. It means that for the first time the opportunity exists to view the union as a entity without state borders. In this sense, the regulatory and macro-economic path of integration is finding a territorial counterpart. For in the same way in which CBC has found its limits in the regulatory and legal functions of borders, the integration project—aimed at the eradication of just these borders—has found its limits in the material, demographic and territorial divisions between member states. What remains to be seen, therefore, is whether the union will be able better to combine regulatory and territorial approaches to integration.

Up to now, the efforts undertaken in different domains have not always been well co-ordinated. Initially, CBC and related territorial policies succeeded only to a limited degree, differences in the legal and administrative systems being too great. Later, the integration of administrative systems, facilitated through harmonisation and mutual recognition, left territorial aspects of integration behind. Now spatial planning and TENS are supposed to close the gap. But a concerted effort to eradicate state borders, in both their territorial and their regulatory function, will require immense political will and erudite administrative labour.

Whether either of these will be forthcoming in the near future—amidst the double effort of negotiating constitutional reform of the union and implementing a pre-accession strategy for the countries of central and eastern Europe—remains an open question. Instead of a concerted effort to tackle the remaining effects of intra-union borders, we will probably see protracted muddling through—with member-state interests, commission self-interest and lobbying from local and (inter-)regional bodies providing the main input. Like other supranational policies, spatial planning will combine collective European visions with assorted national positions, with the outcome a mixture of both. To the extent this new level of governance becomes politically significant, it might be worthwhile speaking of a ‘Europe of the meso-regions’.

Much has been said, so far, about the efforts at the sub- and supranational level to overcome the detrimental and disintegrative effects of state borders—efforts which have largely rested on the construction of new, alternative spaces for policy-making. New borders, more permeable and less all-embracing than traditional state borders, have thereby come into being. Above this emerging structure of new borders and meso-regions stands a further

structure—the European Union itself. Is the EU going to constitute a bordered polity which could, as it were, take over from a nation-state that clearly seems to be losing control over its borders?

There has, of course, been much talk of Fortress Europe, denoting the emergence of a union with recognisable, indeed impregnable, borders. The fortress analogy was initially coined in response to the single market: beyond greater competitiveness and enhanced trade within, one important consequence of the ‘1992’ programme was feared to be an increasingly protectionist Europe. This has not quite happened: as the lengthy negotiations leading to the establishment of the World Trade Organisation demonstrated, the EU does increasingly clash with the US and Japan over questions of fair trade and market access, but it remains ultimately committed to liberal trade. Obviously the culture of economic liberalism which has dominated national and European regulation in the 90s has also been applied to the union’s external economic relations.

In the meantime, the fortress metaphor has shifted to migration and the free movement of people. This has been a more controversial issue, and the charge that the EU drawbridge has been pulled up is less easily dismissed. Against a global trend of higher mobility, there has

been a massive increase in those—mainly from eastern Europe, the Balkans and the Maghreb—seeking residence in the EU. In response, the number who may legally settle within member states has been progressively reduced. And most member states have in the past few years—the UK and the Republic of Ireland remaining notable exceptions—acceded to the Schengen agreement, which provides for harmonised visa and immigration rules.

Since Amsterdam, Schengen has been incorporated into the union treaty. At the same time, the incorporation of Schengen and of its *acquis* of previous decisions into the EU legal order has been widely criticised by human-rights groups. They are concerned that mutual recognition of visa policies—a natural consequence of the opening of national boundaries to the free movement of people within the EU—will eventually lead to the closure of the union to many who would otherwise have been able to enter at least a small number of member states. According to this view, integration at the lowest common denominator—the most stringent immigration policy prevailing—has resulted in the highest possible entry requirements for the EU as a whole.

Whatever the arguments about the exclusiveness of this ‘new Europe’, not all of the EU is part of this policy. The UK

negotiated an opt-out from the common approach to border controls contained in the Amsterdam treaty. And, given the special status of the land border between the UK and the Republic of Ireland, it is likely that the latter will have to make adjustments to its membership in the 'borderless' part of the EU.

This opt-out is only the most recent example of a strong trend in the recent phase of integration. In the past, opt-outs have been negotiated in monetary policy, social policy and foreign policy. Indeed, in terms of monetary union, opt-outs have been part of the policy design. Developing a workable mechanism to manage the relationship between countries which are 'in' and 'out' of monetary union is seen as crucial for the continued success of the single market.

In defence policy, the Western European Union includes a significant proportion of member states and, since Maastricht, has been explicitly linked to the EU. Yet a number of members have opted out of that aspect of integration, preventing the wholesale incorporation of the WEU into the union; the Amsterdam treaty made no significant headway on this issue.

While the UK government has ended the Social Chapter opt-out, new gaps in the common boundary of the EU have opened up. This has been fuelled by two

related trends.

On the one hand, the lack of a clear boundary results not only from opt-outs on the inside, but also from 'opt-ins' on the outside. The clearest example is the European Economic Area, which has brought Norway, Iceland and Liechtenstein into the single market. While special arrangements have been made for the implementation, adjudication and enforcement of legislation, the single market has been effectively enlarged to a group of non-EU members.

Similar effects are produced by the prospect of enlargement of the union. The pre-accession strategy *vis-à-vis* the countries of central and eastern Europe links the granting of economic and technical aid (PHARE), progress on political and economic reform and the timetable for eventual membership. The consequence is that a growing number of EU policies already find application in the applicant countries. This is both a result of assistance (early participation in selected EU policies deemed helpful for countries trying to achieve the conditions for membership) and sanctions (the requirement for applicant countries to develop mechanisms for effective regulation and enforcement before they can be permitted to join). Effectively, the union will gradually extend its single-market programme to central and eastern Europe.

The second feature muddying the waters of a clearly-bordered EU is the concept of ‘flexible integration’, introduced in the Amsterdam treaty and perhaps best understood as the other side of the opt-out coin. It provides a mechanism for groups of member states to develop more far-reaching policies than those that can be agreed by all (Edwards and Philippart, 1997). Under the special mechanism provided, such groups can use EU institutions and resources to make policies which then only apply to part of the union. An acknowledgement of the difficulty of obtaining general agreement on the expansion of competences in an enlarged union, flexible integration turns the vice of opting out into a virtue. The uneven development of EU policy is formalised as a standard procedure of the union; the identification of a boundary common to all becomes correspondingly even more difficult.

This is the shadow of the future post-Amsterdam. But even today, in areas traditionally regarded as ‘high politics’—defence, currency, border controls—the union develops common policies, without establishing a common boundary. The consequence is a Europe which is, on the one hand, highly institutionalised but which, on the other, produces separate spaces: ‘monetary Europe’, ‘trade Europe’, ‘defence Europe’, ‘passport Europe’

and so on.

Thus, while the EU does possess a clearly defined membership, its borders are rather fuzzy. In contrast to the modern state, we cannot expect even the aspiration towards the development of a uniform policy. Once the issues of implementation and enforcement are taken into account, the picture becomes even more blurred.

Enlargement will add further dynamics to opt-outs and flexible integration. Just as pre-accession strategies have exported selected EU policies before membership, so will transition periods and exemption clauses ensure that less than the totality of the *acquis communautaire* will be of immediate application. This, after all, is the experience of previous enlargements and, given the relative economic situation of central and eastern Europe, it will certainly feature in the negotiations over membership. Long periods of preparation for, and adaptation to, the *acquis* will therefore contribute for the foreseeable future to uncertainty over the outer limits of the union (Friis and Murphy, 1997).

Thus we can see how ‘widening’ and ‘deepening’—the territorial and institutional expansions of the EU—do not need to be exclusive; indeed, they have been organised in complementary manner. But their simultaneous progress comes at the

expense of clearly defined boundaries of the polity. While the borders of member states are subject to fundamental change—turning them from binary dividing lines of separate spaces into two-dimensional spaces subject to specific policy-regimes—the borders of a uniting Europe are increasingly ill-defined. They, too, fail to provide the binary division expected from borders and they, too, have spawned policy régimes designed for spaces that are both ‘in’ and ‘out’ of the polity (Christiansen and Joergensen, 1995).

The walls around the alleged Fortress Europe are not drawn around one particular space—defining at one stroke the population, territory and *raison d’être* of the polity. Instead, membership and space defined by different policies overlap; the walls ‘erected’ by individual policies intersect. Thus Maze Europe seems a more appropriate metaphor—a construction that manages to keep some out, some in and most confused as to their precise whereabouts. A highly organised space, but not even those on the inside know much about their final destination.

What are the governing principles of this ‘maze’? At first sight, it is a polity normatively superior to both to the inherently conflictual state system and to

the exclusionary image of the fortress. At the outset of the 21st century, the European continent has developed a political system which combines high internal cohesiveness—sufficient to eliminate violence from relations between states—with a structured relationship with non-members that ensures eventual participation in the exchange and solidarity of the system. Whether by default or design, the EU has departed from the trade-off between integration at the core and disintegration at the periphery—the dual function of borders referred to at the outset. As national borders are being downgraded yet the common boundary remains lacking, Europe has moved beyond the apparent imperative of the inside/outside divide. Those critical of the disintegrative effects of borders regard this as a welcome move.

Yet, even if the ‘new Europe’ is taken as a practical example of a ‘post-national’ polity, serious question-marks remain over its political organisation. These relate mainly to the processes of representation, accountability and legitimation of political decision-making. Established processes, at the national level, are becoming hollow as, increasingly, decisions are being taken at the European level. To the extent these are still taken at the national level, or to the extent to which national actors continue to dominate the

European decision-making process, the increase in personal mobility further delegitimises the domestic process.

On the European level, there is, of course, the widely discussed ‘democratic deficit’, an issue—together with the single currency and enlargement—which is bound to dominate the next decade of European integration. But the usual remedies offered to deal with the democratic shortcomings of the EU structure—an increase in the powers of the European Parliament, more direct accountability of the commission to parliament and the wider public, greater transparency of the council—do little or nothing to address the normative problems of Maze Europe.

The problem is that no single space and no single membership (whether of people or states) exists for which central institutions could be made directly responsible. As space and membership change from policy area to policy area, individual policies can be legitimised through the collective decision-making of participants, but the overall decision-structure—the EU—cannot be democratically legitimised. Since rights and obligations will vary across the polity, it will be difficult to establish a workable concept of citizenship which does not violate the demands of uniformity and equality.

Opt-outs and other partially exclusive

mechanisms will thus detract from the role of supranational institutions or from the link between them and the citizen. But beyond the formal question of how such a structure can be democratised, there is the practicality of public accountability. A common arena for representative politics—based on the parliament-commission-council axis—will clearly not do, due to the absence of commonality across policy-areas. Separate arenas, with specifically arranged membership according to the spatial coverage of the policy, will be legitimate but will at the same time destroy the image of a single polity.

Put bluntly, the construction of Maze Europe, with all its special arrangements for special areas, can be expected to leave citizens in a fog of uncertainty over the role of European institutions, the location of final responsibility and the representation of political interests. Ultimately, the complexity of governance in the ‘maze’—of the system as a whole as well as individual policy areas—will only be understood by an inner circle of decision-makers.

Flexible integration, then, is good news for bureaucrats and politicians, but bad news for the wider public seeking to hold them to account. Traditional mechanisms of representation, electoral control and accountability are already in decline

due to the multi-national and multi-lingual nature of the process (Schlesinger, 1994). The absence of an effective communicative space for transnational politics makes it difficult to link the deliberations of elected decision-makers to the preferences of the wider public. It is symptomatic of the deep-seated nature of this problem that the democratic process does not stand up to scrutiny on the micro-level of cross-border co-operation either (Denters *et al*, 1997).

This difficulty is yet further enhanced by the multiple borders of European policy-making. In the process of integration the domestic polity loses its hold on the political process, due to the porosity of national borders and the enhanced mobility of citizens. Supra- and trans-national decision processes ought to compensate, but their legitimation is compromised not only by the weaknesses of the democratic process at European level but also—and crucially—by the absence of a unitary bordered space of the Euro-polity.

European integration, then, has to face the dilemma of a normative trade-off. It can continue along the lines of flexible integration, which will exclude some member (and non-member) states and citizens from the development of common policies and risk an increasing alienation and thus potential delegitimation of the

entire structure. Or else it can work towards a polity with matching policies, membership and territory, and consequently universally applicable citizenship rights—and to accept either much slower and more limited progress or a move towards a state-like structure. Considering the widespread opposition to a European ‘super-state’, the latter is not likely to advance the legitimation of the European construction much further, even though it would provide the foundation for a democratic process.

Clearly, with the conflicting demands of flexible integration, on the one hand, and of democratic accountability, on the other, the legitimation of the EU appears as a no-win situation. The opt-out/flexible-integration provision—originally meant to make integration more acceptable in those member states that would rather lag behind or move beyond the overall movement—might ultimately come to haunt the entire structure of the union.

After more than four decades spent—quite successfully—overcoming the negative effects of borders, the effort remains double-edged. Overcoming the negative effects of borders between states is one thing, but establishing a democratic polity without the integration, cohesion and uniformity of a clearly defined membership does not necessarily follow.

It will be interesting to observe how the EU will address this issue in the post-Amsterdam future, with a fledgling monetary union, as flexible integration is implemented and as enlargement is negotiated. In each of these crucial areas of EU development, the boundary of membership looms large in the background. The next decade will demonstrate whether the union can come up with the institutional innovations to solve these puzzles of Maze Europe. ■■

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Co-operation, in any language

Moray Gilland

For most normal people, ‘cross-border’, ‘trans-national’ and ‘inter-regional’ co-operation would be interchangeable terms. But for the European Commission they have specific meanings.

Cross-border co-operation is locally based, across either side of a land or, in some cases, maritime boundary. This includes the Republic of Ireland/Northern Ireland border and that between the republic and Wales.

Trans-national co-operation embraces larger groupings, of areas such as the ‘Atlantic Arc’ or the North Sea. Such co-operation tends to have a more spatial approach (although spatial-planning issues can also have a role at local level).

Inter-regional co-operation refers to non-contiguous areas—for example, were Northern Ireland to work with Galicia. These distinctions may seem tenuous,

but that is commission English for you.

For the European Union, the overall aim of cross-border co-operation has been and remains that the EU’s borders should not be a barrier to balanced development. The INTERREG initiative (INTERREG I and the current INTERREG II) has had a significant role in economic integration and social cohesion. Under its auspices, cross-border projects have been established and networks created between public institutions and private associations. INTERREG has provided a Europe-wide framework, which previously did not exist, for cross-border co-operation.

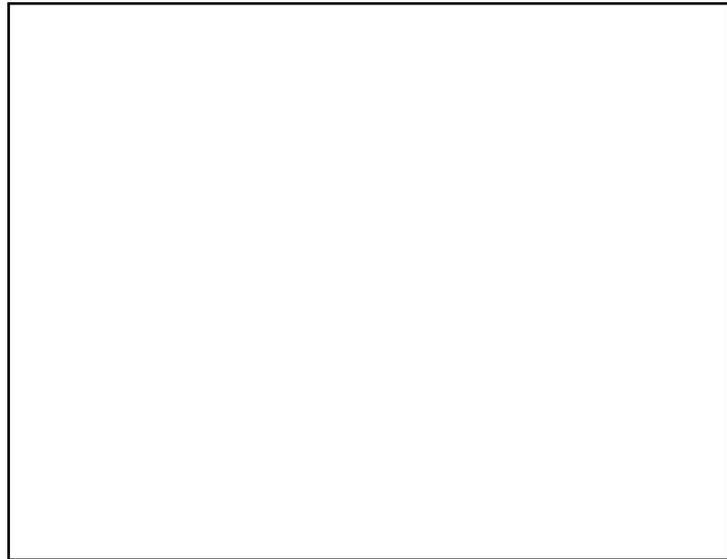
Although the commission proposed that the number of community initiatives should be reduced from 13 to three for the next round of structural funding, and that the finance available should be reduced to 5 per cent of structural-fund resources from the current 9 per cent, the priority of co-operation is being retained as one of those three community

initiatives. This is a strong symbol of the commission's desire that border regions should not become isolated from other member-states economies or the union as a whole.

Activities in a wide range of domains have been funded under INTERREG II: management systems and economic co-operation between small and medium enterprises (SMES); tourism, the environment, transport, communications and infrastructure; education, training and cultural issues; health systems and so on. But the key lesson from INTERREG II has been the difficulty in establishing such activities across many of the borders of the union. There has been much more progress on development within border areas themselves than in *cross*-border co-operation.

INTERREG II has allowed direct relationships to be established between local authorities and communities in different member states, which have learned to work together towards the joint development of border regions. The experience has not been uniform, however. In part, this is because the borders of the union are very diverse: for example, the border between Finland and Russia is very different from those around the North Sea, which are very different again from the border between Spain and Portugal.

Yet, in general, there has been too



little interaction between the local and regional partners. The cross-border bodies set up to manage projects have often been dominated by national, rather than local, interests and projects which have been approved have often made little strategic sense.

Moreover, genuine, contiguous cross-border projects have not been numerous, and there have been implementation problems. And sometimes, where infrastructure projects have been supported on either side of the border, INTERREG funding has simply become a supplement to mainstream structural-fund support, without adding any of a key commission

concern—added value.

INTERREG II has had some positive effects on countries aspiring to membership of the union. But the lack of resources of those states and the problems of co-ordination with other EU schemes, such as PHARE and TACIS, have limited the effectiveness of co-operation across external borders.

Thus, for the new programming period, there is to be a new community initiative—aimed at cross-border, transnational *and* inter-regional co-operation—to support the balanced development of the EU's territory. Action in relation to areas on the borders between member states will be at the heart of the initiative.

The budget for INTERREG II for 1994-99 was 3.6 billion euros. For 2000-06 it is envisaged that, within the reduction in the number of community initiatives, there will be a significant increase in the budget for its successor. But supported projects will have to be genuinely cross-border, a 'bottom-up' approach and participation will be required, and projects will have to complement rather than duplicate mainstream structural-fund activity. Hopefully, also, management will be more streamlined.

The commission has proposed that this new initiative be developed through three strands. Strand A, dedicated to

cross-border co-operation, would be aimed at developing compact economic and social clusters and would involve co-operation at a very local level. Projects might entail: rationalisation of local transport, telecommunications, water and energy systems; promotion of SMEs; urban/rural developments; local employment initiatives, integrating the labour market and supporting social inclusion; sharing human resources and facilitating education, culture and health; promoting environmental protection and cultural exchanges; and building up human and institutional capacities for cross-border co-operation.

Such actions must be steered by genuinely cross-border co-operation bodies or local authorities, with only occasionally some regional or national representation. These joint bodies would form a single management structure for the programme, dealing with project selection, finance and administration. By giving local authorities a central role in management, it is hoped that genuinely local cross-border projects will be funded, thus ensuring greater value added.

As far as possible, the commission would intend making a global grant to the cross-border structure, which would then select projects and allocate finance accordingly—with joint management structures, joint project-selection systems

and joint bank accounts. That won't, of course, be possible in every border area, particularly at the external borders, but it would be the ideal.

Strand B would look at trans-national co-operation between regional and national authorities, though also involving local authorities where necessary. Given the limited financial resources expected to be available under this strand, a strong focus will be sought in supported programmes. This strand could involve the preparation of trans-national strategies and spatial plans, particularly for improving transport and telecommunications systems—including between the peripheral, less-favoured regions and the central regions of the union.

To secure genuine co-operation, the commission could invite the relevant member states and regional authorities to participate in the definition of a programme that would comprise agreed operational proposals. This programme could be prepared by a joint trans-national body on the basis of proposals from the authorities themselves.

The aim here is, in effect, a continuation of the cross-border approach on a wider scale—which, admittedly, creates more problems if you are trying to create a trans-national structure involving five or six countries rather than two. The commission wants to build on what has been

achieved in recent years under INTERREG IIC, where this concept of trans-national co-operation originated.

Finally, under strand C, inter-regional co-operation would be supported to promote development of the less favoured regions—particularly through exchanging experience and good practice on cross-border and trans-national co-operation and through networks embracing a limited number of regional schemes. Most such co-operation is currently supported under article 10 of the European Regional Development Fund regulation, which has the disadvantage of concentrating management in the hands of the commission and of dissociating these efforts from cross-border and trans-national activity under INTERREG.

We therefore envisage the trans-national bodies set up under strand B presenting proposals covering Strand C co-operation. Acting as a network, these bodies could launch calls for proposals and select individual co-operation projects.

Overall, these ideas should allow a change of gear and a relaunch of INTERREG on a more ambitious, yet more effective, basis. There remain, of course, issues to be considered, including the allocation of funding between programmes and how to ensure

co-ordination, for example, between INTERREG and pre-accession instruments for the countries of eastern Europe.

The new INTERREG initiative would be funded by a single fund, namely the ERDF—including human-resource actions hitherto funded by the European Social Fund and rural development projects supported by the agricultural guidance fund FEOGA. This would avoid the administrative burden of trying to manage three funds in relatively small INTERREG programmes.

The commission's ideas for the future of INTERREG give a strong focus to the basic rationale for a cross-border, transnational and inter-regional community initiative. With regard to the cross-border dimension in particular, in comparison with INTERREG II the objective of co-operation at a local and regional level will be much sharper and more explicit—genuine cross-border bodies delivering genuine cross-border projects. **DD**

A borderline case

Rob Meijer

EUREGIO is a Dutch-German border region, of about 10,000 square kilometres and 3.2 million people. Founded in 1958, last year it enjoyed its 40th anniversary.

It is often said that EUREGIO is a laboratory for cross-border co-operation. But there is no model, self-sustaining system that could be established in every cross-border region, to make it a *European* region—there is no standard recipe to make European integration work.

EUREGIO lies between the rivers Rhine, IJssel and Ems—between, that is, the industrial *Ruhrgebiet*, the powerful Dutch *Randstad* with the harbour of Rotterdam and the area of northern Germany around Hamburg. As a region it has been very poor.

In the past it was ruled by the king-bishops of Munster and Utrecht. It was marked by the Thirty Years War—last

year also saw the 350th anniversary of the Treaty of Westphalia. The area was variously German and Dutch, the people adapting themselves as best they could to the situation in which they found themselves.

The second world war was to separate them, setting them up as enemies. After the war, however, people discovered that it was no good to live as strangers in a border region, and took the initiative to help each other.

During the post-war boom, many textile plants were built on both sides of the border. Thousands and thousands found a job in this industry, but in the 60s and 70s it collapsed and unemployment soared in several cities to 30 or even 40 per cent.

This encouraged city councils in particular to work together. The aim was to co-operate and build a good society for everyone—not to take one's own ideas across the border, not to make a

Dutchman out of a German (or *vice versa*), not to change language or cultural traditions. The only goal was to work together as good neighbours, for the prosperity of the inhabitants on both sides.

As to how it was done, the first step was to establish a socio-cultural programme. With assistance from the governments of the Netherlands and Germany, a network was built up. In more than 100 cities, a EUREGIO ‘ambassador’ was designated, responsible for cross-border activities there.

The programme got under way in 1972 and grew to such a scale that now up to 150,000 people participate every year. Every sort of person in the cross-border society is involved: students, sportspeople, disabled people, senior citizens, musicians, journalists, politicians, civil servants and so on.

Thus, for students EUREGIO offers an exchange programme including financial support and assistance with the organisation of events; for music students, in particular, there is the chance of membership in the EUREGIO Youth Symphony Orchestra. For sportspeople, there are cross-border events in more than 15 disciplines. For artists, there is the opportunity to mount cross-border exhibitions ... It is about bringing people across the border and finding a programme through which they can get to know each other.

In the 80s, what was then the European Economic Community began its ‘1992’ campaign—the disappearance of borders between the 12, later 15, member countries. EUREGIO, meanwhile, was developing its cross-border network.

If one is to be able to discuss all subjects important to a cross-border region, one needs a political framework, and Prince Klaus (husband of Queen Beatrix) of the Netherlands suggested a cross-border parliament. And this year has seen another anniversary—the 20th of the EUREGIO Council.

Its 80 members are elected by the EUREGIO city councils, the seats divided on the basis of regional elections. Co-operating through the council are thus the Christian democrats from the Netherlands and Germany, their social-democratic counterparts and other like-minded political groups.

Following the socio-cultural activities, socio-economic development in the region became very important. After 10 to 15 years of getting to know one other, the next step was to get work done. But at that stage financial support from the European Commission to the poorer regions was only given via the national government and institutions.

So, together with cognate cross-border regions, EUREGIO sought a special

economic-development programme. And eventually it came—INTERREG. Through it, EUREGIO directly receives from the European Commission funding to build up the region.

Cities, chambers of commerce and other institutions are urged to work on cross-border development in several fields: infrastructure, environment, tourism, agriculture, technology, telecommunications and so on. The commission contributes 50 per cent of the cost of these projects and in many other cases the national or regional governments pay another 20 or 30 per cent. Between 1991 and 1995 the programme ran to 80 million guilders—about 40 million euros.

Another important aspect of EUREGIO is its citizens' services office. Hearings are held in city halls and every year about 20,000 people present queries about cross-border issues. These concern finding a job, living across the border, social security and pensions, consumer affairs, establishing a business and so on.

As to organisational matters, EUREGIO has two buildings, one on the Dutch and one on the German side of the border—on the spot of a former customs checkpoint. Its 30 employees comprise German and Dutch staff, working together.

In 1992 'EUREGIO House' was built, and it hosts the European Association of Border Regions. There are now about 70

'little EUREGIOS' across the EU.

In sum, EUREGIO tries to involve the cross-border society as a whole. It brings politicians together. It seeks integration through socio-cultural exchanges. It pursues cross-border economic development. And it provides citizens with a central information bureau for their problems.

It is a structure that has taken 40 years to build, where no one, four decades ago, had a blueprint. It was a people's effort—people who were engaged and who tried step by step to bring the idea of European society into the region, to promote the welfare of all. ■■

Global platform

Geoff McEnroe

The IBEC/CBI Joint Business Council is a partnership between the Irish Business and Employers' Confederation and the Confederation of British Industry (Northern Ireland). It was established eight years ago—previously there were only annual meetings between the confederations—to act as the catalyst for maximising trade, business development and economic co-operation between Northern Ireland and the republic.

The council began by establishing a north-south committee on transport (now transport and logistics). This led to the concept of the Dublin-Belfast economic corridor. There was, further, consideration of energy and communications. And the council engaged in lobbying the two governments and the European Union institutions.

The council's objectives include:

- identifying barriers to north-south

trade and taking action to remove them;

- providing, via a trade and business development programme, information on the cross-border market to meet the needs of small and medium enterprises (SMEs) on both sides; and

- improving, via a company development programme, the competitiveness of industry on the island, to enable companies to compete island-wide and in international markets.

More than 2,000 companies, north and south, have been drawn into the work of the council since its inception. A feature of this has been improving business-to-business contact, networks and co-operation.

Last year, for example, briefing papers were prepared for food companies interested in supplying one of the new supermarket investors in Northern Ireland, and research on the food-service market island-wide was distributed to companies in the north and the southern border

counties—allied to individual assistance and introductions to buyers. A workshop in Cavan brought together suppliers and buyers in the health-care sector.

There were workshops in Dundalk and Derry to assist companies to supply the northern public sector, utilising e-commerce. And a seminar led by the Department of Trade and Industry in London outlined opportunities for Irish construction services companies in developing countries, as well as stimulating co-operation between them in overseas markets.

In the wake of the Belfast agreement, the council submitted papers to government on potential areas for north-south and 'east-west' co-operation, including the European dimension. Its trade and business development programme for 1999 has been approved by the (northern) Department of Economic Development and the (southern) Department of Finance, administrators of the INTERREG programme.

This includes a conference in Belfast and north-south workshops on logistics and supply-chain management. There are initiatives on north-south benchmarking for SMEs as well as on cross-border employment and training. There is a programme to assist SMEs to work with transnational companies.

There are joint programmes with the

US Department of Commerce, in e-commerce and construction services. There is co-operation on securing technical-assistance contracts in the mining sector in the 'ACP' developing countries. And so on.

The council, and private industry on the island represented by IBEC and CBI, welcomed the decision in December 1998 to establish a north-south 'implementation body' covering trade and business development. It has the potential to develop and expand the work carried out to date by IBEC/CBI, and by other agencies and programmes, in this domain.

The council expects the new body will



Geoff McEnroe eyes the competition

draw on the experience gained from the principal north-south economic programmes of the past eight years and that information, as well as experience, will be shared. It is important that the limited resources available to the body are efficiently allocated and that duplication of the work of existing organisations is avoided. It will be essential that it 'hits the ground running'—rather than electing to start from first principles.

Before decisions are made about specific areas of implementation for the new body, it will be important to examine the potential for expanding trade, business development and co-operation from current levels. There remain many barriers to co-operation that need to be overcome, reduced or removed. It would therefore make sense to carry out a feasibility study before structures are put in place.

This would mean that all partners in the north-south enterprise would have a clear understanding of the benefits achievable in a defined timescale—to the two economies as well as to the island economy as a whole. The potential size of the 'peace dividend' should be quantified by sector and market, and not exaggerated. Otherwise, there will be a danger of failing to realise inflated expectations.

The new body must be given sufficient power and resources to deliver an 'extra'

dividend that cannot be achieved under existing structures. Unless the policymakers, north and south, agree a common economic development strategy for maximising growth on the island up to the year 2010—a specifically Northern Ireland strategy review has just been published (Strategy Steering Group, 1999)—the maximum benefits will not be achieved.

As the accompanying tables show, while exports to the north from the south have increased absolutely in recent years, in the context of rapid growth they have actually fallen in relative terms, to 2.7 per cent of the total. So Northern Ireland is a very, very minor market for many companies in the republic. At the same time, exports from the north to the south have risen and now comprise 12 per cent of its total.

A strategy whose priority is maximising exports *from the island* should thus be adopted. This would entail continuing to reduce the dependence of Northern Ireland and the republic on the Great Britain market, and substantially increasing the share of Northern Ireland exports going to mainland European and other world markets.

A new plateau of north-south economic co-operation will need to be attained to maximise growth in exports from the island. Companies on the

island—manufacturers, providers of services to industry and internationally-traded services companies must be developed as sub-suppliers to Irish industry, to ensure that industry on the island remains competitive in international markets.

Existing economic agencies, north and south, should continue to operate independently under the direction of their respective administrations. Yet all services provided externally by these agencies—the Industrial Development Board, Enterprise Ireland and others—to exporting companies could be co-ordinated and made available to firms north and south. While north-south trade will, of course, continue to expand in value terms, the priority for the new body should therefore be developing and maximising foreign trade from the island. DD

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Exports/external sales from north and south by market (%)

Table 1: historic levels

Destination	North (1991)	South (1993)
Great Britain	54.5	24.9
Republic of Ireland	10.6	-
Northern Ireland	-	3.6
Rest of EU	19.4	39.8
Rest of world	15.5	31.7

Table 2: recent data

Destination	North (1996/97)*		South (Jan/Oct 1998)	
	£m	%	£m	%
Great Britain	3,023	50.1	7,201	19.6
Republic of Ireland	717	11.9	-	-
Northern Ireland	-	-	1,002	2.7
Rest of EU	1,224	20.3	16,578	45.0
Rest of world	1,070	17.7	12,041	32.7
Total	6,034	100.0	36,822	100.0

* provisional

Carry on NGOing

Harriet Kinahan

Co-operation Ireland was founded, as Co-operation North (the name was changed last year), in 1979. That is two decades of accumulated experience in north-south co-operation.

Many people have heard, perhaps, of the annual Co-operation Ireland mara-cycle. But on the ground CI works with a plethora of target groups—especially youth, educational and community organisations. Often these are doing fantastic work: bringing people together face to face, discussing differences as well as what they have in common, goes a long way towards helping people understand that they need not be threatened by one another.

This appreciation of different identities is a recognition of how rich life on this island—not to mention the world—can be. (Indeed, CI has offices in London and in New York as well as throughout

Ireland, in Belfast, Derry, Monaghan, Dublin, Cork and Limerick.)

Given the fear highlighted by Dominic Murray in his chapter, of creating a ‘second border’ in Ireland—given the remit of the ‘peace package’, INTERREG and so on—it is worth underscoring that CI has always been all-Ireland focused. We would agree that that geographical restriction should be changed, so that programmes can benefit the whole island. Bringing people from Cork to Monaghan, or indeed to Belfast, so that they can be beneficiaries, is hardly going to touch many people in Munster.

Every year CI brings together about 20,000 people north and south—very often for the very first time. A specific initiative worth highlighting first, in this context, is involvement in the European Association of Border Regions. This has an office in Monaghan which co-ordinates the three immediately cross-border networks on the island. The link to EABR

broadens perspectives by allowing comparisons to be made and contrasts drawn with similar initiatives in other border regions.

But it is the Youth Education and Community Programme which is the 'bread and butter' of CI. Within that there is a specific Cross-border Community Development Project. Under the EU Special Support Programme (measure 3.1), Cooperation Ireland acts as the intermediary funding body, working together with IBEC and CBI.

A media programme brings journalists together north and south. This provides valuable opportunities for journalists and media people to meet, out of the public eye, to share views on political development, culture, the economy and so forth.

CI recently received funding to mirror in the republic the excellent work in the north of Community Dialogue—a community-based initiative for discussion of difficult political issues. The idea was 'stolen' from Community Dialogue in recognition that many, many community groups in the south hadn't begun to debate the issues arising from the Belfast agreement. The aim is to stimulate that debate, to bring community groups together and to encourage them to meet groups in the north who have been through this process rather longer, to

share views.

CI is also involved in a project for emerging political leaders. The stimulus for this came from the US, and involved bringing together representatives from all the major parties on the island, along with young counterparts from the Republican and Democratic parties. They met both in the States and in Ireland—the latter coinciding with President Clinton's 1998 visit—and some members of the group were elected to the Northern Ireland Assembly.

There is, further, an Economic Programme. This includes, for example, Agri-Link, which brings together the agricultural sectors north and south. Ditto for Hospitality Ireland, within the hospitality industry. CI also promotes local-authority linkages.

One doesn't want to preach. But this peace won't work without as many people as possible—as many ordinary individuals—being allowed to have a voice, to have a role in the new structures which are to be put in place.

A lot of lip-service is paid to the voluntary sector. There is a political endorsement in the Belfast agreement of the role voluntary organisations have played in promoting reconciliation, and there is a commitment there to enhancing that activity. This needs, however, to be worked and pressed for: many need to

be convinced that more than lip-service will be accorded.

The agreement does need to be underpinned by work on the ground, bringing people together at all levels. And many, many other organisations beyond CI are involved in such work. Yet, particularly in the republic, only a pittance has been allocated towards it in the past. CI has received government funding but there are myriad groups that have not been able to afford basic secretarial back-up.

Such groups may have an ephemeral existence but it has been as a result of their efforts over many years that an attitudinal change has taken place in the republic. This is a recognition that those of us living in the south are part of the problem too, that we also need to work on our prejudices, that we have to learn more about our neighbours—and without any hidden agenda.

Yet that requires a commitment, particularly from government, and not only a financial one. It is very welcome that the republic's government agreed in April substantially to enhance funding for groups working in this area.

But they must also have a voice in policy formation. The National Economic and Social Forum has helpfully explored the changing role of central government in light of the republic's social-partnership arrangements (NESF, 1997). The NESF

detects a shift from allocating, directing and administering—power-centred decision-making—to new and evolving roles which take into account the complexity of societies and the various partners and players that must have an input into policy.

So we have notions like 'policy entrepreneurship', of monitoring and facilitating, of protecting non-statutory organisations and supporting interest groups. There is a model here that, perhaps, the new Northern Ireland structures can embrace.

In the republic, meanwhile, the Glencree Centre for Reconciliation, CI and a number of other groups have been working to establish a platform for peace and reconciliation organisations, so that they can co-operate and feed into policy formation. These all work on a north-south basis but there has not been enough serious analysis of the role of such groups *in the south* and of their needs. This is necessary for them to play a better part in the new political environment.

And, finally, another source of learning in the opposite direction. In Northern Ireland, as across the water, a 'compact' has been agreed between government and the voluntary sector. This reflects a growing understanding of the need, if we are to have a healthy civil society, that the voluntary sector be given

its proper place. The Northern Ireland compact says (DHSS, 1998: 9):

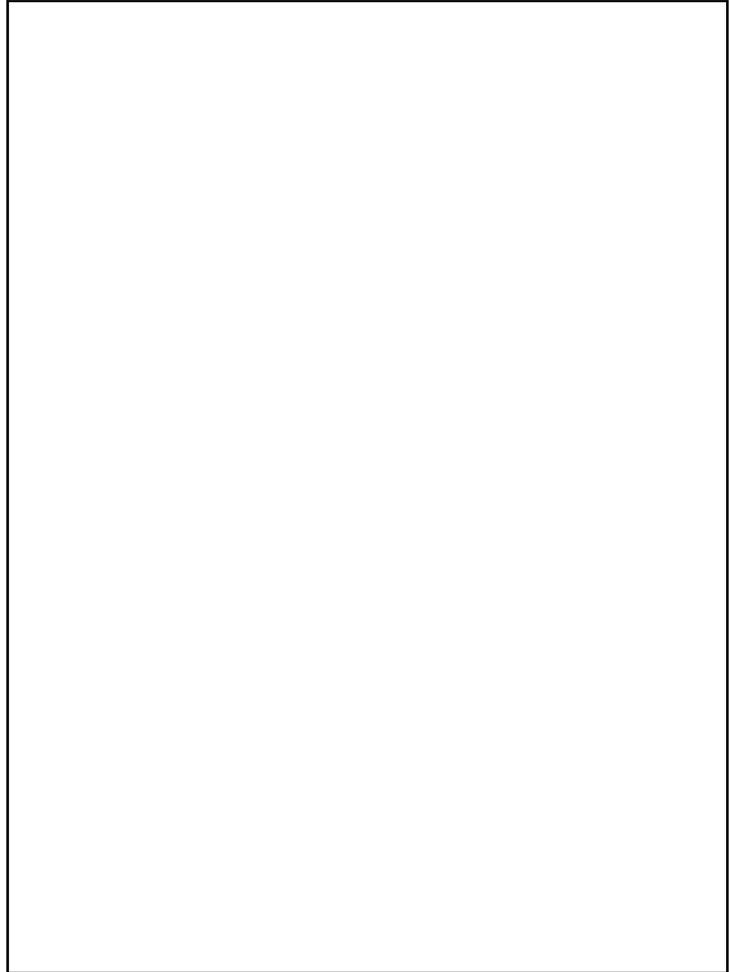
The shared vision of Government and the voluntary and community sector is to work together as social partners to build participative, peaceful, equitable and inclusive communities in Northern Ireland. This Compact will cement this partnership. It will enable the energy and talent both within Government and the sector to unite in creating a new dynamic for the betterment of society as a whole.

The political developments taking place in England, Scotland and Wales and in Ireland, north and south, may be at different stages. Yet one cannot but hope that, through the new opportunities to work together across the island, we can set aside our need to be in competition and, instead, take what's best from these developments in the different jurisdictions, to support the processes we are all so much behind. **DD**

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Border-hoppers—a Donegal pair receive community leadership certificates in Cookstown



Fixing the institutions

Rory O'Donnell

One of the striking things about the Belfast agreement is that, to any one who knows the European Union, one immediately recognises that it was written by people who also know the EU and have worked its systems quite intensively.

Making institutions interdependent and interlocking is very similar to the way the union was designed. Placing a heavy emphasis on consensus and agreement—indeed unanimity—is another feature of the European model of institutional policy co-ordination. Defining areas of international co-operation under the legitimacy of national parliaments, and indeed drawing on the legitimacy of national governments and executives, is something the EU has done very skilfully from the start.

So our ambitions for the agreement also echo Europe. They concern building

practical co-operation piece by piece, widening the sphere of co-ordination as we go along. The idea that such co-operation gradually becomes natural, and reaches a level where conflict is inconceivable, is an old ambition also borrowed from the European experience. And, ultimately, it is the ambition to achieve co-operation which goes beyond lowest-common-denominator bargaining and really helps to solve problems.

Yet the institutional structures envisaged by the agreement differ significantly from those in the EU. Some of what one might see as the dynamic elements of the European model aren't there: there is no equivalent of the European Commission or the European Court of Justice. Nor is there any concrete statement of ambition, as was spelt out in the Treaty of Rome.

It is widely accepted that the commission was designed to be the engine of European integration. Retrospectively, we can also see that the court was key at

certain points in the story. We are inclined to see the European process as dependent on the very ambitious initial statement in the founding treaty. But it would be too negative to be disheartened by the absence of these elements in the agreement, for two reasons.

First, one of the features of the European story has been how it has changed from the initial design, which was often called the ‘tandem model’—the Council of Ministers and the commission comprising the two parts. It didn’t quite work out like that: there was an enormous elaboration of the council.

This initially happened in a negative way after the Luxembourg compromise, which entrenched the national veto in the 60s with an associated retreat from ambition. The strengthened council spawned a very complicated substructure of committees and working groups. It had been previously envisaged these would only exist inside the commission but they were replicated around the council.

This locked the national officials into recurrent negotiations on numerous issues (and, indeed, the commission then developed committees for consultation with the national interests). This elaboration of the council—well beyond what was imagined in the Treaty of Rome—certainly had a negative effect in the 70s, when Europe stalled.

But when Europe relaunched itself, in the 80s and 90s, this complex system of inter-governmental negotiation around the council wasn’t dismantled or circumvented; rather, when the engine started to move again it was built upon. In particular, the half-yearly meetings of the European Council (the council of prime ministers) emerged as a key source of legitimacy—not dealing with anything in much detail but setting frameworks which every six months would give legitimacy to what was done by ministers and officials in the meantime.

Secondly, to this dense inter-governmental system the relaunch of Europe added social actors. The commission co-opted business and the unions, first of all, to the internal-market project and then it co-opted the wider social movements: the environmental movements, women’s groups, regional groups, unemployed groups and so on. This even more complex structure has delivered really quite remarkable progress in policy co-operation and integration in the past 10-12 years.

Thus, despite the peculiar elaboration of the council, negotiation in the union has moved beyond a wooden insistence on unanimity, towards persuasion. Unanimity is still there—in many respects it remains a fall-back—but the process has moved towards persuading reluctant

parties to go along with various pieces of policy co-ordination. This has worked very well, in many different spheres.

The implications of this for the North-South Ministerial Council are not yet clear. But, shadowing the European experience, there is a hint that, if certain things are done right, quite a lot could happen—even without a commission or court.

A condition, however, is that political legitimacy, as delivered by ministers, is combined with delegation to experts. One of the reasons why Europe works is that the council delegates its work to people who know what they are talking about. This is a very important feature and I concur with Dominic Murray in this regard.

One should not underestimate the extent to which professional and even social attachment develops in expert organisations with responsibilities such as food safety—one of the areas to be the subject of a north-south implementation body. People working in these spheres are drawn into values—in this case values of good food safety—which, when they are placed in a cross-border context, to some degree override the tendency to bargain for a ‘national’ interest.

This has been very striking with the European environmental agencies. Where one might have expected all the

national agencies to allow their own companies to cheat on environmental directives, in fact they look to other environmental institutions and seek a high reputation for environmental standards. That esteem around professional standards and organisation, that attachment to values and goals, does help to drive genuine, productive co-operation.

The experience of local partnerships in the republic, and of district partnerships in the north, in handling delegated authority also offers a positive basis for policy delegation on a north-south axis. For the spirit and essence of the partnership process, when it works, is problem-solving—problem-solving as opposed to pure bargaining.

No one quite knows what the conditions are for turning raw bargaining into problem-solving. But framing the agenda to avoid zero-sum items, institutional design and, obviously, attitudes all matter to some degree.

The problem-solving model has implications for the way groups relate to each other but, perhaps more interestingly and more surprisingly, it also has implications for the internal organisation of groups. In the republic, keeping to a problem-solving mode in the National Economic and Social Council or the National Economic and Social Forum has very often tested organisations internally—how

they work, how democratic or representative, how consultative or inclusive, or indeed how genuine they are as organisations. They are exposed and tested by this process, and there are forms of internal organisation which are very helpful to problem-solving outcomes—and ones that are less so.

North-south policy co-operation has to be consistent with the capabilities, and limitations, of government in the way governments currently operate. One smiled at the unfortunate phrase used by the minister for foreign affairs, David Andrews, during the talks at Stormont—his suggestion that north-south bodies would be ‘not unlike a government’—because nobody knows what a government is like nowadays.

Those who have been involved, north and south, in the partnership experiments have to watch out that conventional—but ineffectual—top-down, executive policy-making and implementation are not latched on to. This is probably less of a danger in some of the 12 areas identified for implementation bodies, or co-operation between existing departments, than in others.

For example, to take food safety again, it is interesting that the republic—under pressure from Europe—is going through a dramatic policy innovation. A long list

of policy areas is being delegated to independent agencies, to new environmental agencies and a new food-safety authority. There are meanwhile new regulators in energy and telecommunications, and there are several more such developments in the pipeline.

So it seems unlikely that in, say, food safety, co-operation would revert to an in-house, state-led model, while separately both the UK and the republic were moving towards a delegated, agency-driven approach. Perhaps in some of the other areas there is more danger of old-fashioned government being seen as a possible model. **DD**

A forum, once again

Hugh Frazer

In the Belfast agreement, under the provision for the North-South Ministerial Council, §19 says: “Consideration to be given to the establishment of an independent consultative forum appointed by two administrations, representative of civil society, comprising ... other members with expertise in social, cultural, economic and ...”

There are three potential outcomes from this guarded proposal: first, something that is very exciting, dynamic and significant; second, something that is minimalist and bureaucratic; or, third and probably most likely, nothing at all.

It would be a mistake to focus on the structure of such a forum, and the minutiae of who would be represented there, before articulating a clear idea of why it would be of value and a clear vision of what it would do. Otherwise, there would not be a lot of point in having it

and, anyway, the wrong structures might well emerge—the latter should flow from the functions of the enterprise.

There are six reasons why a forum would be valuable.

First, there is a need to broaden ownership of the ‘peace process’ and the Belfast agreement—especially to broaden ownership of north-south co-operation and reconciliation to the whole of society. Working these days in Dublin as I do, I support extending interest in co-operation to the whole of the island—not just Northern Ireland and the southern border counties. Within that, of course, one has to ensure priority for cross-border work and to provide in some cases a focal point for it.

Secondly, the process of co-operation itself needs to be enriched, because it is more than a narrow political deal or accommodation. A more inclusive and dynamic approach is required, aimed at building trust and understanding

throughout the island. This is an organic process—growing and developing over time, rather than being delivered as a tidy, neat package.

A third reason for a forum is to increase participation of those groups on the island who have felt alienated from, and excluded by, the political process. The arguments for the National Economic and Social Forum in the republic and the Civic Forum in the north can be extended to an all-island basis. A more participative democracy is essential in an era when democracy does not stop at the ballot box and is deemed far too important to be the preserve of politicians—though obviously they do have a critical role to play—or a few dominant social groups.

Fourthly, a forum could become an important way of recognising and accommodating diversity in all its forms on the island. An active and dynamic forum could be a symbol of that diversity and the possibility of its celebration.

Fifthly, it could bring greater expertise into the policy-making process, from all sectors, promoting more open dialogue on key issues that face the island as a whole. A forum could provide a vehicle for involving such expertise and engendering analysis of high quality, as Rory O'Donnell's contribution suggests. Problems nowadays are so complex and interrelated, across the range of expertise

and interests, that governments alone cannot solve them. This points to new models, involving partnership and participation, and a forum would again be a way of reflecting these changes in governance.

Finally, a forum would be an important way simply to give recognition to those who have been involved in cooperative activity. A lot of work has been done in recent years in this domain, yet it has not had great resonance in either part of the island and a dynamic forum could change that.

From this argument for a forum, seven potential roles for the body follow.

First would be to give policy support and advice through the North-South Ministerial Council, both in general and on specific sectoral issues, encompassing the economic, social and cultural dimensions. It could have a particularly useful role in commenting on proposed new north-south programmes and perhaps in monitoring their delivery.

Secondly, it could have a proactive, strategic role, working on long-term issues. It could propose to the NSMC new areas of co-operation as experience evolves, including perhaps the establishment of new implementation bodies. It could develop new thinking about opportunities for co-operation, complementing initiatives stemming from the NSMC.

Thirdly, it could assess proposed policies in both parts of the island, across the whole remit of government, to make sure none would hinder north-south co-operation. This proofing and challenging role could extend to adjudging whether proposed programmes in each jurisdiction could have an additional, north-south dimension.

Fourth is the promotion of lesson-learning. There are a lot of practical lessons to be learned from the north-south co-operation that has already happened. The difficulties created by ostensibly north-south programmes that are in fact exclusively cross-border is an example.

Fifthly, there is a role to play in enhancing public awareness of the potential and importance of north-south

co-operation. The forum could have a very important role in that regard, building awareness and so support.

The sixth potential role is in facilitating a very wide spectrum of civil society to engage in dialogue. It could co-ordinate public consultation on issues related to north-south co-operation.

Finally, and very specifically, while the forum should be able to look at the whole gamut of economic, social and cultural life, wherever there is the potential for north-south co-operation, in the immediate future at least it should concentrate on particular issues. These could be:

- economic and employment growth,
- ways of promoting social inclusion, and
- dealing with diversity and difference.

Among these suggested roles for the forum, deliberately absent are any legitimising role—via election of its membership—or any executive or administrative power. But it would therefore be important, given its advisory character, that the NSMC be required to respond to any recommendations the forum might make. This would include having to give reasons for the rejection of such recommendations, where that was the case. Thereby a dialogue would be developed.

The Belfast agreement says very explicitly that the forum would be appointed by the two administrations, that it would be representative of civil



Civic voices need to be heard by the ministers and the mandarins

society, and that it would involve the social partners and others with expertise in economic, cultural and social issues. The detail of how it would be formed is, however, less clear. This leaves a key role for civil society, to consider and to propose how it might be done.

There are probably two main options. One would be to draw the membership from the Civic Forum in Northern Ireland and the NESF in the republic. Alternatively, and preferably, one could create a totally new organisation focusing on north-south initiatives—this would bring in a wider range of people.

It should be quite large, because it should be as inclusive as possible. To some extent, its size should not be determined at the outset: there should be opportunities for it to expand and adjust over time, as it grows and changes.

One approach, rather than having just one formal forum, would be to have a number of standing committees on key issues, coming together periodically in plenary format. That way one could secure broad involvement but also sustain focused work. This would also favour building from the bottom up, rather than a rigid, top-down approach.

As to who should be involved, there is the obvious range of social partners and others but it is particularly important

that those who have been excluded from the normal processes of democracy should be included. There needs to be a significant involvement of organisations with a record and expertise in north-south co-operation. Membership should be built around interests in society—interests that are not often directly involved in representative democracy—rather than geographical distribution. And there should as far as possible be a balance in terms of gender, age, region, minority interests and participation by the excluded.

Should the body consist of ministerial appointees or should it be selected by nomination? Organisations and areas of interest should nominate representatives, because that establishes accountability and feedback and involves a greater range of people.

As to procedures, it would be important to establish a set of principles—principles of inclusiveness and participation, of partnership and co-operation. A problem-solving approach should be adopted and the forum should be accessible and flexible. Its staff should not simply be drawn from the civil service, whatever its merits, so that broader expertise and more flexible work methods could be incorporated.

To enhance public awareness, there should be a communications strategy for

any such forum: it should have a high public profile on north-south initiatives. And it should have a rotating venue so as to be visible all over the island—to bring home the point that north-south cooperation is something that needs to happen throughout Ireland.

In conclusion, the case for a north-south forum is that it would be complementary to, not competitive with, representative political structures. It would be dynamic and flexible, with the potential to grow. But a vision is crucial—far more important at this stage than details of structures—and civil society can take a lead in providing it. ■■

Conclusions

Robin Wilson

Four years ago, in his submission to the Forum for Peace and Reconciliation in Dublin, the economist John Bradley declared (Bradley, 1995: 74): “It must be stressed that a situation of separate policy development between North and South is rapidly becoming artificial and outdated.” In an equally pithy comment, he had earlier written that, because of the scale of the Westminster subvention to Northern Ireland, unification was not “economically feasible”—though if the north, utilising the potential of devolved power to enhance economic development, were capable of sustained out-performance of the rest of the UK such that the subvention gradually diminished, that *economic* barrier would be removed over time (Bradley, 1994).

These two comments are indicative of how the policy debate on north-south relations has moved on since 1974: the

emphasis now is on looking beyond ideologically-driven support for, or resistance to, north-south integration, towards ‘what works’ in order to pursue it to maximum advantage. Some constitutional reflections explain why.

At the heart of the ‘Sunningdale syndrome’ identified in the introduction was an ideologically-driven polarity, ultimately to prove the Achilles heel of the power-sharing arrangements. On the one hand was the Ulster Unionist chief executive, Brian Faulkner, for whom the north-south dimension was simply “necessary nonsense” to appease nationalist demands. On the other hand was the Social Democratic and Labour Party, whose goal as described by Paddy Devlin was all-Ireland institutions which “would produce the dynamic that could lead ultimately to an agreed single state for Ireland” (Bew and Gillespie, 1993: 73-4).

Yet both unionist fears and nationalist hopes were overblown. As memoirs

from key northern civil servants now indicate, jurisdictional jealousies on both sides of the border famously confined the areas officials were prepared to see transferred to the Council of Ireland to “sacrificial ewe lambs” (Hayes, 1995: 1974). And, when Mr Devlin arrived late at a Sunningdale conference session to hear the then foreign minister of the republic, Garret FitzGerald, “well launched upon a characteristically visionary exposition of a potential Council of Ireland with wide-ranging executive responsibilities for this and that”, before even sitting down the health minister designate told him “you can keep your hands off my f...ing ambulances for a start” (Bloomfield, 1994: 191).

Finally, the key official in Dublin at this time recounted in later years to the author how, in 1974, Mr Faulkner had come to plead with the taoiseach, Liam Cosgrave, to forego the Council of Ireland to save the tottering power-sharing executive. Remarkably, the official said that the taoiseach would have been willing to comply had it not been impossible at that stage to do so. Asked how the republic’s government could have countenanced surrendering such a major political gain, he explained that, had all the functions which theoretically could have been transferred to the council under the Sunningdale agreement been so

transferred, they had calculated it would have required 44,000 civil servants from the two jurisdictions to staff it. Ideology was one thing, it was evident, but the mandarin mind simply quailed at the prospect of such a giant quango.

But if ambitions have to be more sanguine 25 years on, there is no doubt the *potential* for closer integration is at the same time significantly enhanced—indeed, in the long run, almost limitless. Key to this has been the patient work of many over the years on the ground (much of it assisted by Co-operation Ireland), building trust and undermining fears—notably via the business confederations, IBEC and CBI, and their Joint Business Council.

Crucial now is the Belfast agreement, which begins to supply the institutional architecture under which north-south integration can flourish.

Two possible scenarios loom in the years, even decades, ahead. One is a malign one, in which the machinery of north-south integration is gummed up by political mistrust, such progress as there is is confined to ‘track one’ officialdom and to business co-operation, and little materialises amidst widespread popular suspicion and/or disengagement. There are negative political spillovers into the viability of the ‘internal’ political institutions in Northern Ireland, as

nationalists become increasingly restive at unionist reticence. The ‘Sunningdale syndrome’ continues to be active.

The benign scenario is the opposite. Here, the involvement of numerous actors ensures synergies between the different levels of integration, and positive spillovers from one domain to another. The commitment to the enterprise, led from the top, oils the wheels of the machinery and minimises friction. Growing trust relaxes unionists’ attitudes to the island-wide ‘imagined community’ so crucial to nationalists, leading to positive political spillovers *vis-à-vis* the legitimacy and stability of the institutions within Northern Ireland (Teague, 1997).

The Belfast agreement is premised on the benign scenario. In doing so it takes us beyond the widespread assumption that north-south integration is really creeping unification. Consideration of the situation in Scotland may help bring a more profound understanding.

On the eve of the first elections to the Scottish Parliament in May 1999, the leading analyst Lindsay Paterson suggested at a seminar in Edinburgh that the will-Scotland-become-independent? question that had marked the devolution process (on both sides) might turn out, in the long run, to be the wrong question.

The strength of the Scottish National

Party meant the question would not go away, Prof Paterson insisted. But a Labour-led administration at Holyrood would not sue for divorce from a Labour (or, eventually, Labour-led) administration at Westminster. Thus the question would only, in reality, be put as and when in the next century a non-Conservative majority in Edinburgh faced once more a Conservative government in London.

But, by that time, the key powers reserved to Westminster—over macro-economic policy, defence and foreign affairs—might well have been transferred to Brussels, via economic and monetary union and the outworkings of the Kosovo crisis. In which case, Westminster and Whitehall would just be another set of external institutions with which the Edinburgh parliament would have to deal. What, then, would ‘independence’ *versus* ‘the union’ actually mean?

By the same token, erosion of Irish neutrality via prospective membership of NATO’s Partnership for Peace and the progress towards a common EU foreign and security policy, allied to involvement of the republic in EMU from the outset, will reduce the political differential between a ‘sovereign’ parliament in Leinster House and the new assembly at Stormont. Meantime, the experience of devolution UK-wide will remove the day-to-day Northern Ireland political

agenda from Westminster oversight and engagement.

As under the old Stormont *régime*, therefore—though, hopefully, not with the same malign consequences—the region will become in geo-political terms essentially self-governing. And, in that context, it will in effect be able to develop, politically, such relations with the republic as it wishes (financial constraints, importantly, permitting). Meanwhile, since there can not be a border poll under the Belfast agreement, to change or confirm the constitutional position of Northern Ireland, until such times as the secretary of state decides it is likely to lead to a majority for change, a referendum can not be anticipated in the region until even later than a similar vote in Scotland.

In which case the conventional, adversarial ideological wrangle—as to whether or not Northern Ireland is on a ‘slippery slope’ (as unionists have feared) to ‘Irish unity and independence’ (as republicans have hoped)—might itself be best consigned to history, along with the violence it has spawned.

One leading SDLP figure has already manifested the political courage to indicate at an unattributable conference that he felt quite relaxed about the current constitutional arrangements remaining “indefinitely”. Such gestures away from

old ethno-nationalist positions are very helpful in removing ideology, as well as guns, from Irish politics, and dispelling the ‘Sunningdale syndrome’. A similar ideological lightening-up on the part of unionists ever-vigilant about absorption into an Irish identity would be highly desirable.

What perhaps the future holds is a political formation of a new type, in which Northern Ireland is able to exploit the increasing diffusion of sovereignty and permeability of borders to maximise its autonomous potential and its diversity of ‘external’ relations—with the rest of Ireland, the rest of the UK and the rest of Europe.

It is what the German sociologist Ulrich Beck would describe as an instance—most obviously symbolised by the fall of the Wall—of the late 20th century’s replacement of the politics of either/or, by the politics of *and* (Beck, 1997: 1). The recognition in the Belfast agreement that citizens of Northern Ireland can be “Irish or British, *or both* [my emphasis], as they may so choose” (Northern Ireland Office, 1998: 2) is an important step in that direction.

In that context, north-south integration can be re-envisaged in a genuinely non-threatening fashion—as a principled but pragmatic effort, through co-operative endeavours from which all can gain,

to build reconciliation across the island and enhance political stability.

If the context of north-south integration has changed since 1974, so too has its nature. For a further significant shift has been the widening of the concept of government to ‘governance’. The Sunningdale model assumed government to be an essentially executive process confined to the political class. The Council of Ireland it envisaged was thus a centralised as well as top-down structure, and clearly implicit in the division of its functions between the ‘consultative’, the ‘harmonising’ and the ‘executive’ was a process of movement from first to last. It was a structure, in other words, as the republic’s foreign minister, David Andrews, was (anachronistically) to declare during the talks leading to the Belfast agreement, “not unlike a government”.

Nowadays, it is clear that *governance* is a much more complex and differentiated process, which necessarily involves drawing upon a range of non-governmental actors, both for policy input and for policy delivery. This implies discrete executive (or ‘implementation’) bodies, not an embryonic all-Ireland state, and indicates that executive action is only part of a much broader spectrum of interventions—likely to include governmental brokerage of, and assistance to, non-

governmental networks in an environment of across-the-board, north-south policy co-ordination.

This relates to wider EU trends. European directives have moved away from a ‘harmonising’ approach across member states towards a more pragmatic emphasis on mutual recognition amongst them, thereby avoiding the waste of effort trying to unify disparate administrative arrangements entails. Paul Teague thus argues that there is neither much scope nor need for north-south harmonisation (Teague, 1997: 179): “Encouraging policy co-ordination does not necessarily mean the creation of all-Ireland institutions, but it does require closer policy communities to be established between the administrations in Dublin and Belfast. At present the policy contacts between the two administrations across a wide range of government functions are not of the frequency or depth to allow for the full exploration of all possibilities for co-ordination.”

Indeed, the EU can play a substantive role in this regard. The former commission president, Jacques Delors, once indicated to the author in private conversation how much he wished to see north-south integration progress in Ireland. And Teague argues (Teague, 1997: 190-1): “When seen from this perspective, it becomes clear that the EU could play

an important role in building all-Ireland policy and economic connections largely because many of its programmes and policies actually set out to facilitate, enable and improve collaboration across nation states.”

What is intriguing in this regard is the comment by Moray Gilland about how the EU is moving to rationalise the fearsome administrative complexity identified by Thomas Christiansen. In particular, the suggestion that cross-border and ‘trans-national’ programmes should be woven into one new initiative and that trans-national bodies could be supported by the EU offers a tantalising prospect of how the otherwise obscure question of the relationship between the North-South Ministerial Council and the European Union could be resolved.

(By using the word ‘trans-national’ here, there is no intended implication that Ireland is not, in some sense, a ‘national’ entity—the author has an Irish passport. It is simply in the EU usage of trans-member-state.)

The agreement refers (‘strand two’, §17) to arrangements being made to ensure the views of the NSMC “are taken into account and represented appropriately at relevant EU meetings”. But of course the union is based on the member-states, so whatever ‘views’ the NSMC might have could, as things stand, only be conveyed

to meetings of the Council of Ministers, for example, via the representatives of the UK or the republic. This would be likely, in practice, to mean the governments in Dublin *and London* coming to a policy agreement to express a common view.

Looking to the future—to the next treaty-making intergovernmental conference—the option should be considered of adding a protocol to the treaty giving formal recognition within the union to such ‘trans-national’ arrangements as the NSMC, in line with the evolution of ‘Maze Europe’. This would itself be encouraged if the NSMC were seen to be offering a viable model for the rest of the EU. That in turn would depend on the seriousness of the input to it: a vibrant assembly European committee, liaising with the Oireachtas Joint Committee on European Affairs, would be indispensable.

As Rory O’Donnell’s chapter makes clear, EU experience shows it is crucial, if north-south institutions are to work, that they engage non-governmental expertise. Meanwhile, Hugh Frazer argues that there is a need for the broadest social ownership over the integration process. And there is a wider worry about existing north-south relations conducted at a non-governmental level being hoovered up into the NSMC and

the implementation bodies.

For all these reasons, the case for a north-south consultative forum, only tentatively made in the Belfast agreement, is a compelling one. But to marry the demands for specialist input and inclusiveness, such a forum needs to be organised in a flexible manner which encourages deliberation and dialogue with officials. An effective committee system would therefore be crucial, as well as a facility for working groups capable of co-opting external expertise.

More sophisticated politicians will recognise the benefits such an engagement can bring, as with the Civic Forum in the north. Indeed, one potential minister in the Northern Ireland executive recently modestly declared to an audience of NGOs involved in north-south collaboration: "We're starting much further back down the track." As Anderson and Goodman (1997) succinctly present the vision, "the re-creation of an all-Ireland civil society, though without political reunification in traditional nationalist terms, is now firmly on the political agenda".

A month after the round-table in Monaghan, representatives of the principal social partners in Ireland issued an important joint statement on north-south co-operation in a European context (ICTU and IBEC/CBI, 1999). Prepared by the IBEC/

CBI Joint Business Council and the Irish Congress of Trade Unions, it said: "The social partners support the establishment of an independent consultative forum which may be considered by the two administrations under the Belfast Agreement. We believe there are clear benefits in having a 'round table' to review progress, identify issues, opportunities and problems which could be addressed by the North-South Ministerial Council and help to develop a co-ordinated and strategic approach to co-operation to mutual advantage."

This is an encouraging development. In the past, the north-south impetus has mostly come from the business community. Nothing wrong with that, but in the future there is a need to ensure a more balanced involvement of the social partners—and as large a commitment to questions of unemployment and exclusion as growth and prosperity.

If this civic input 'from below' is essential, horizontal north-south policy networks, which make this all-Ireland civic society a reality, are the other, equally important, side of this coin. Democratic Dialogue and the other participants in this project will continue to pursue this network construction themselves, like the many other organisations whose work Dominic Murray has so laboriously catalogued. Encouragingly,

there has been an increase of nearly half in the recorded number of bodies with a north-south dimension to their work since the first edition of his inventory four years earlier (Murray, 1999: iv).

A good example of such a network is the Standing Conference for North/South Co-operation in Further and Higher Education, which has thrown up a raft of policy ideas in this arena, such as student exchange arrangements, postgraduate bursaries for north-south projects, pump-priming for north-south research partnerships and so on (Standing Conference, 1998). This is an agenda that the new Centre for Cross-Border Studies, based at the Queen's campus in Armagh, will, among other things, be able to develop.

The orientation of the new implementation bodies and the NGO networks should be a problem-solving one, with a view to social learning. That is to say, leaving behind the grandiose ideological arguments about whether north-south integration is really a Good Thing or what the ultimate destination might be, the approach should be open-minded and willing to learn from experience.

Such pragmatism is by far the likeliest approach to engage individual citizens in the process, as well as quelling suspicions and doubts. Rob Meijer's remarkable comment that up to 150,000

Dutch and German citizens have some engagement with EUREGIO very year is testimony to what can be achieved, in terms of embedding a process of integration deeply within the wider society.

But what is all this co-ordinating and networking *for*? Remarkably little literature has been generated over the years, especially from the northern parties, on the substantive agenda of north-south integration—even co-operation. This may seem bizarre, given how much political grief the issue has caused; yet there, in fact, lies the explanation. It is precisely because of the hyper-political fashion in which this issue has been addressed that there has been so little recognition of the need to detail its social, economic and cultural outworkings.

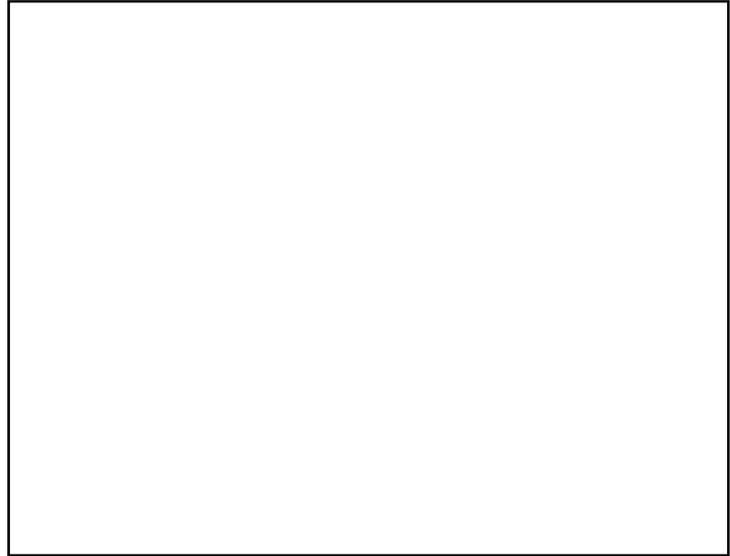
But now, for the first time, in addition to the Belfast agreement, developments *in the republic* may play a key role in setting that agenda. It has become a cliché, in the 90s, to refer to the 'Celtic Tiger' economy (Sweeney, 1998). But, as James Wrynn (1998) has argued, "the Celtic Tiger, despite its sleek coat, squats in a shabby den". As Patricia O'Donovan of the ICTU spells it out, (O'Donovan, 1999), "While Ireland is now close to EU average income per capita, it is many decades behind EU standards of public

transport, public services and social infrastructure.”

Growing labour shortages and worsening congestion are testimony to the need to expand investment in childcare, education, training and transport (never mind the need to address spiralling house prices), if the Tiger is to continue to roar. The remarkable fiscal buoyancy the state enjoys as a result of this decade's vertiginous growth can now be deployed to bring about an infrastructural revolution to translate that economic prosperity into a quality of life more akin to the European standard.

The Economic and Social Research Institute has recommended a major, seven-year programme, including a north-south perspective (Fitz Gerald *et al*, 1999). As the Labour leader, Ruairi Quinn, has argued, it makes no sense to pursue such a great project except in an island-wide context (*Irish Times*, May 15th 1999). And there are cross-border elements in the Draft Regional Strategic Framework for Northern Ireland (Department of the Environment, 1998), expected to be matched in the forthcoming National Development Plan in the republic—in particular, the Derry-Letterkenny area is likely to be identified as a common development ‘node’.

This is in line with the conventional, common-chapters approach of plans



north and south in recent years. But, as the earlier argument made clear, the next, and more radical, step is to begin to move towards a single, all-Ireland plan, in line with the development of EU ‘trans-nationalism’. It would be the responsibility of the NSMC, in dialogue with the consultative forum, as and when established, to prepare this rolling plan and to monitor, evaluate and review it. Inevitably somewhat ‘thin’ at first, it would become progressively ‘thicker’ as the experience of co-ordination developed and it gradually came to supersede separate, partitioned, planning processes.

This is a win-win scenario for the two

parts of the island. It offers a real sense of economic and social unification to the republic, while allowing the new northern administration to piggy-back (to mix metaphors) on the Celtic Tiger—assisting the chances of it achieving the ambitious 4 per cent per year GDP growth target recommended by the SDLP (SDLP, 1999). It can give a strategic focus to the work of the North-South Ministerial Council as a whole, while presenting tangible benefits to both business and socially-oriented constituencies.

Amid all the talk of different ‘tracks’ to north-south co-ordination, it is worth highlighting that whereas in 1922 there were some 20 cross-border rail links, in what was an undifferentiated all-Ireland system, now there is just one (Smyth, 1995: 173). Thankfully, assisted by EU funding, the latter has now been upgraded—though it was the subject of a farcical delay at the beginning of the decade when the then Fianna Fáil (‘The Republican Party’) transport minister, Seamus Brennan, said he was not going to seek to spend large sums on the north-south project “simply for political reasons” (*Irish News*, May 5th 1990). (Meantime, even more farcically, the Irish Republican Army was blowing up the line.)

With the Belfast agreement, such political crassness is hopefully a thing of

the past. The goal should be to change all our mental maps in Ireland so that we can pursue this infrastructural revolution in a genuine island-wide way. This is very true of transport, given the poor standard of public provision on either side of the border. An early task for policy co-operation between the northern and southern departments responsible should be to commission a feasibility study on a single transport holding company. This would embrace the transport agencies north and south and the goal would be to developing a modern, integrated public transport infrastructure across the island, and beyond to Britain and Europe.

Energy, telecommunications and postal systems are also areas where progress needs to be made. In energy, as the ESRI (1999) argues, there is a need for a new gas pipeline and a strengthened electricity transmission system to enhance competition—power prices urgently need to be reduced to enhance the competitiveness of northern firms. In postage and telecommunications, the goal should be to ensure that the two jurisdictions operate as ‘inland’ rather than ‘foreign’ to one another, through special arrangements between the relevant authorities north and south.

Equally, if not more, important however is the ‘soft’, human and social, capital we need to accumulate if balanced

economic and social progress, widely shared, is to be made across the island.

Sustained public-expenditure largesse to Northern Ireland under direct rule may have kept up outward appearances. But it does not conceal the severe underlying failures of the northern polity to date: almost non-existent childcare provision, working-class educational under-achievement, low workforce skill levels, a hard core of very long-term unemployed, poor innovation in small and medium enterprises, and attraction of few globally competitive foreign investors.

Many of these problems apply to some extent in the republic as well and often take a similar form. The challenges facing people condemned to live in the sprawling estates of Twinbrook in west Belfast and Tallaght in Dublin are not much different.

Where there is clearly a very big difference is in the last factor—success in attracting foreign direct investment. This underscores the need for an urgent decision by the UK on membership of economic and monetary union. In Northern Ireland, debate about this issue represents a classic case of economic considerations being overridden by ideological ones and of the disconnection between economic and social constituencies and political parties. Unionist opposition has

everything to do with a (misplaced) fear about the UK's, and so Northern Ireland's, constitutional future, and shows no recognition of the articulated views of business.

The harsh economic realities are that transnational companies will not only tend to seek European investment opportunities within the euro zone but also seek suppliers there too. Staying out of the euro would therefore deprive Northern Ireland not only of FDI opportunities, as against its southern counterpart, but also of potential supply-chain links island-wide. Meantime, Northern Ireland companies would continue to have to pay the severe interest-rate and exchange-rate premia with which UK non-membership is associated—a serious matter given so many compete on low-price (and low-wage) rather than high-quality criteria.

The aim in this respect should be to remove the border *in an economic sense*. What is important is to develop the capacity of enterprises anywhere in the island to compete and export globally. An exclusive emphasis on expanding north-south trade—an understandable focus of much early discussion of economic coordination in Ireland—would in that sense be too insular an approach.

The risk in such a narrow focus—rather reflected in the brief for the new

implementation body on trade and business development as defined in the December 18th agreement between the northern parties (Office of the First Minister and Deputy First Minister, 1998)—would be of reaching a plateau in internal north-south trade and/or merely displacing existing economic activity in the process.

This is not to say that north-south trade is inherently finite. The problem, rather, is that (unlike trade between the republic and Britain, or the wider EU), it is currently dominated by traditional, finished consumer goods where markets are limited and displacement effects probable. To move into a higher gear—including high-tech, intermediate goods, traded between large firms—is dependent on a general restructuring of the northern economy, which remains heavily skewed towards traditional sectors like textiles or food, drink and tobacco.

In any case, developing supply chains for domestic suppliers to multinational investors should be given higher prominence. Take the problems (apart from the environmental ones) which arose in Northern Ireland with the influx of British retail food multiples in the wake of the paramilitary ceasefires. Local suppliers were often unable to meet the more exacting quality demands of the super-market chains, causing considerable

tensions between them.

Just the same issues apply to suppliers—indeed suppliers to some of the same chains—in the republic. The answer in such a situation is for a neutral body to broker a network between the key players—in this case industry associations, suppliers and potential suppliers, inward investors and any relevant public agencies or expert groups—to work out solutions to any problems of quality, innovation and reliability.

Hitherto, such tasks have fallen on the IBEC/CBI Joint Business Council. But a public body will always have more ‘clout’ to play the brokering role. This is a good example of what, concretely, the new implementation body should do.

But, again, a note of caution. Once market and co-ordination failures are addressed between two hitherto separate jurisdictions, a range of unintended arrangements—competitive as well as co-operative—may emerge. So transfrontier integration is not always a win-win game but may mean gains for one side at the expense of the other.

For example, because of different duties on petrol and different registration arrangements on the two sides of the Irish border, it is advantageous for northern hauliers to register in the republic. A number of firms have pursued this course, opening up the possibility of a

major geographical realignment of the industry in Ireland. Such outcomes are not only very difficult to predict but also, in open economies, to prevent.

Freeing up the island-wide labour market is also an important goal. This is especially as the republic faces growing labour shortages—though a more welcoming attitude to refugees would help—associated with increasing inflationary pressures. These have the potential, at worst, to blow off course renewal of the crucial three-year social partnership agreements via sectional disputes. But achieving free movement of labour across the island means mutual recognition of qualifications and dealing with concerns about national/social insurance records, pension portability and so on.

Knock-on changes will be required in the educational domain. For example, common arrangements for entry into post-16 institutions across the island should be developed, allied to a common system of third-level accreditation (Standing Conference, 1998).

Some of this will not be easy and will entail difficult trade-offs, including for the republic. Thus, for example, free movement of teachers in Ireland is impossible while there is a requirement of Irish for all who teach in the south (not just teachers of Irish) and while there is

a religious education requirement for all who teach in northern Catholic schools (not just teachers of religion).

The new Department of Higher and Further Education, Training and Employment will want to give early consideration to these issues, in collaboration with the Department of Education and Science and of Enterprise, Trade and Employment in the republic. We already have close to a free market in goods and services in Ireland, but labour is clearly much less mobile. The question to address is: what needs to be done to establish a genuinely free market in labour? A checklist of matters to be addressed by the NSMC could be readily established by officials from these departments coming together with representatives of the Joint Business Council and the ICTU and reporting.

Similar considerations apply to upgrading the *quality* of labour (and hence the income and quality of life it can command) north and south. A particular focus is needed on those least qualified and most vulnerable to long-term exclusion from the labour market altogether. In that sense the decision to integrate post-16 provision in the north in one new department was a bold and sensible one to break down the old academic/vocational divide—from which the latter has severely suffered. But there is much to

learn in this regard from the experience in the republic, such as in the contribution of the regional technical colleges and institutes of technology to third-level vocational education.

The departments, the labour-market agencies north and south, the various educational interests and the social partners should comprise a working party to establish an island-wide strategy for continuous upgrading and expansion of Ireland's workforce. As and when the consultative forum is established, its own working groups could make a decisive contribution in this regard.

It should be stressed that removing such barriers as different accreditation arrangements is only a necessary, not a sufficient, condition for an all-Ireland labour market to emerge. There is still far more movement of labour from the republic to Britain, for example, than to that other part of the UK known as Northern Ireland—just as there is a pattern of Portuguese migration to France.

In other words, labour markets need to be socially embedded to work. There is not a tradition of searching out employment or developing careers on the other side of the border. Opportunities must be communicated. There must be a sense of feeling 'at home' in the new environment. There must be an expectation of fulfilment in terms of quality of life.

Thus, even in this economic arena, as we shall see below, questions of 'ownership' over north-south integration and of reconciliation between people in the two parts of the island can not be left out of the equation. It is an interactive agenda, at once economic, social and political.

At one level we simply cannot know what the synergies and spillovers will be from more effective co-ordination across the island. The point is simply to address this positive potential, however large, in a non-contentious way.

One area where everybody expects significant synergies is tourism. As Paul Tansey points out, "tourism looms less large in the economy of Northern Ireland than in all other economies of the European Union" (Tansey, 1995: 203). Yet the breach in the planned joint tourism marketing campaign by Fianna Fáil once returned to government in 1997—in the name of restoring the shamrock to its rightful place (Wilson, 1997)—shows that even here ideological questions can intrude. And, because of unionist resistance, the December 18th agreement inelegantly placed what should in effect be a new tourism-marketing implementation body (given it is to be a public company) in the 'policy co-operation' arena.

But not only is joint marketing essential. There is also a need to improve the

performance of the industry which is being marketed. Tourism facilities in Ireland are by no means always of international standard and joint accreditation of facilities north and south (IBEC/CBI, 1998), by the Northern Ireland Tourist Board and Bord Fáilte, should be used as a lever to impose more exacting requirements.

What, then, of the much larger question of a joint approach towards inward investment? Douglas Hamilton rightly points to the negative synergies of existing arrangements (Hamilton, 1995: 217): “this competition for prospective inward investment projects has led to a bidding-up of offers, the only beneficiaries of which have been the inward investing companies themselves. If policy were coordinated, not only could a more effective policy be introduced but budgetary savings would also be realised.”

There would, of course, be considerable official and political resistance to an integrationist initiative of this degree—and not just from northern unionists. During the negotiations of the north-south structures in the latter part of 1998 evidence of official foot-dragging *in Dublin* became apparent (Hayes, 1998; Collins, 1998). Coakley (1999) notes the reports of reservations on the part of the Department of Agriculture and the Industrial Development Authority and

adds: “It is extremely unlikely that scepticism or even outright hostility to the strand two bodies is confined to these departments or authorities.”

But there should be no areas deemed ‘off limits’ to policy co-ordination. Where there are potential benefits, tangible or otherwise (and not outweighed by attendant costs), these should always trump ideological considerations or bureaucratic inertia. The six implementation bodies and six areas of co-operation identified in the December 1998 statement, in immediate fulfilment of the agreement, should by no means be seen as a ceiling on further integrationist steps.

In particular, there are substantial benefits for the north in reconsidering the approach to inward investment. Part of the reason for its more ‘down-market’ industrial structure is that its grants-based incentives system encourages traditional, labour-intensive, low-profit firms. The system in the republic, by contrast, based on relief on corporation tax, encourages high-technology, high-profit companies to locate there.

There is, however, no easy answer to this. Northern Ireland is not fiscally autonomous from the rest of the UK and if it were to be suggested that it be designated an ‘enterprise zone’ enjoying tax incentives not applying elsewhere there would be very negative reactions in Scotland

and Wales, whose inward investment agencies would obviously resist such a move. But there are already some specific tax breaks for firms in Northern Ireland, as the Strategy Review Group (1999) points out (though its suggestion of fiscal flexibility by company would be illegal under EU and World Trade Organisation regulations).

What might be explored is whether a fiscally neutral strategy could be developed for the north, linked to a shift from grants to tax relief, within the context of a co-ordinated approach between the Industrial Development Authority and the Industrial Development Board to inward investment.

Indeed, a further integrationist step towards an all-Ireland agency for directing inward investment into Ireland as a whole should be seriously investigated. The mutual benefits—in reducing competitive bidding for projects, in encouraging a more rational embedding of new firms into supply linkages, and in building upon the (hazy but well-disposed) corporate image of Ireland—could be substantial.

But this issue is an example of how north-south integration can not be pursued in isolation from intra-UK or wider EU concerns. As with other questions discussed here, there will be a legitimate British Irish Council role in the debate.

Underlying many of the remaining tensions in this domain is the same problem which bedevilled the establishment of the Executive Committee in the wake of the assembly elections in 1998—trust. The impacted negotiations leading up to the December 18th agreement were symptomatic in that regard of how opportunities can be constricted by mistrustful relationships.

Indeed modern economic literature foregrounds the importance of trust (Cooke and Morgan, 1998). Hence Rob Meijer's indication that EUREGIO focused for years—even decades—on building up the social and cultural dimensions of reconciliation between Dutch and Germans before diversifying into economic development.

This is a long-term problem, which is not addressed by short-horizon funding schemes. Fundamentally, this raises the question as to whether the administrations on either side of the Irish border are willing in the long run to pay for the challenge of reconciliation themselves—when there is no longer an EU 'peace package' to do so.

Moreover, under the Special Support Programme, we have seen the phenomenon described by Dominic Murray as the 'new partition'—of 12 counties from 20 rather than 6 from 26. Yet Cork needs to take part in reconciliation as much as

Cavan. As the guidelines for the new round of peace funding are being developed, this absurd geographical restriction must be reconsidered—and, at least, loosened in practice. This is not to detract from the particular needs of those on either side of the border to be able to draw down funds related to social exclusion; but it is to say that those intermediary funding bodies dealing with reconciliation, or indeed business co-operation, need to be able to adopt an all-Ireland approach.

It is also remarkable that there is no north-south implementation body for reconciliation itself—even though there is one for languages. It would surely have been preferable if a broader focus on cultural pluralism had been selected—rather than risking, in effect, the importation of Northern Ireland’s sterile language war, between Irish and the dialect of Ulster-Scots, into the republic. This is particularly so, given the work of the Cultural Diversity Committee (formerly the Cultural Traditions Group) and the Cultures of Ireland Group in this domain, north and south respectively, over many years and the increasing co-operation between the two arts councils.

Elaborating new, modernist and pluralist, notions of ‘Irishness’—or simply recognising those that are already out there, particularly in the freer cultural

atmosphere of the republic—is an exciting and valuable task. Indeed, it is clearly a sub-plot of the Belfast agreement. It finds no place to date, however, in any of the official agenda for north-south relationships as defined by the December 18th statement.

Such a broader body, embracing within itself a language element, should have as part of its brief the funding of all-Ireland reconciliatory endeavours. This would provide a 32-county funding stream, assuming the finance was made available, over the long term. In this regard, the decision by the republic’s government to multiply by a factor of eight its commitment to reconciliation is a welcome start to building up the necessary budget lines, on both sides of the border (*Irish Times*, April 30th 1999).

To establish an implementation body for culture and reconciliation would officially recognise that reconciliation is not just a northern (ie *British*) problem. And it would make transparently clear that unionists were not being asked to subscribe to a pre-existing, stereotyped, nationalist version of Irishness but to be part of its post-nationalist exploration.

Reconciliation, however, is a much wider responsibility, in which schools, for example, clearly have an important role. Yet the Civic, Social and Political Education programme in schools in the

republic has no module specifically dealing with *northern* politics (*Irish Times*, June 16th 1998) while a separate citizenship education programme is envisaged for UK schools in the wake of the report by the commission chaired by Bernard Crick. The solution to this problem should be to establish a common, north-south element to both such programmes, through collaboration between the two departments of education, north and south, and the curriculum advisory bodies. Schools also need to deepen exchanges between them, especially in the curricular mainstream.

The Civic Link project, Co-operation Ireland's Project Citizen initiative launched in May—supported by the two governments and the US Department of Education—will promote the concept of practical citizenship and involve partner schools from north and south. Experiences gained from this initiative should be assimilated into the curriculum.

The churches, meanwhile, need to ensure the training of all clerical personnel includes specific training in the domain of reconciliation. Such training can only go so far if not carried out on an ecumenical basis.

As for the media, there is a particular barrier to more shared television viewing. While UTV has more penetration in the republic than RTE in the north, it has

acted to block RTE being available on cable to northern consumers, who currently need a special aerial to receive it. This is not, it should be stressed, a unionist defence of 'Ulster' against alien ideologies but a commercial battle for the viewers of *Coronation Street*. UTV's resistance should be ended forthwith.

In the sporting world, the (northern) Irish Football Association and the (southern) Football Association of Ireland should build on the co-operation initiated under their project funded by the EU 'peace package', A Kick in the Right Direction, and develop much more organic relationships—given that even after the second world war there was still intermingling of players between the two sets of Irish green jerseys (*Guardian*, May 29th 1999).

And the Gaelic Athletic Association should not only abolish rule 21 (outlawing Royal Ulster Constabulary members) but also ensure that its government-assisted stadium in Dublin is open to use for other football styles—not just American!

This report has set out a much more ambitious agenda of north-south integration—executive, co-ordinating and networking—than is usually advanced. Indeed, it sets no frontiers beyond which it cannot go.

It does so, however, from a straightforwardly non-ideological standpoint. It is this combination of idealism and pragmatism which can slay, for ever, the ‘Sunningdale syndrome’. ■■

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