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Statement by the Taoiseach, Mr. J. Lynch, T.D.,  
in Dáil Éireann on Tuesday, 11th April, 1978,  
on the meeting of the European Council in  
Copenhagen on 7th - 8th April, 1978 and on his  
meeting with the British Prime Minister on 7th  
April, also in Copenhagen

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In accordance with precedent, I propose to inform the House of the discussions and results of the meeting of the European Council which I attended together with the Minister for Foreign Affairs in Copenhagen on Friday and Saturday last, 7th - 8th April. I have had the Conclusions of the Presidency laid before this House and the Seanad for the information of Deputies and Senators. I also intend to give an account of my separate meeting with the British Prime Minister, Mr. Callaghan.

For some years past, progress towards Community aims has been generally disappointing. This is perhaps scarcely surprising given the intensity and persistence of the international economic recession. Since last autumn, however, I detect a renewed sense of purpose in the Community, a process of fresh thinking, a readiness to contemplate more ambitious concepts in pursuit of its basic aims.

I believe that in any future review of the development of the Community, particular significance will be attached to the agreement we reached in Copenhagen that the first direct elections to the European Parliament shall be held in all Member States in the period from 7th - 10th June, 1979. The formal decision will be taken shortly by the Council of Foreign Ministers. This agreement marks the end of a battle going back over twenty years. It will invest the European Parliament with full democratic

legitimacy. I believe that, in addition, as the concept of accountability of the members to their electorate gradually becomes a reality, it will lead to far-reaching innovations in the institutional development of the Community.

I welcome this prospect, as I do the more immediate prospect of the direct elections campaign itself. I hope that both in Ireland and throughout the Community, it will give rise to a constructive debate on the major common issues confronting the people of Europe generally. One issue to which we and other smaller Member States will need to give attention is the development of the institutional checks and balances against the acts of simple majorities which are characteristic of the constitutions of federal and confederal states.

At Copenhagen, we also adopted a Declaration on Democracy. This is included in the Presidency Conclusions laid before the House. Essentially, it confirms the basic values common to the peoples of Europe - pluralist, representative democracy, respect for the rule of law and for human rights and social justice - which must be upheld in any Member State of the Community. The issue of this statement of principles on the occasion of our agreement on direct elections is particularly appropriate. This is also true, I believe, of the timing of our agreement on the establishment of a European Foundation, as proposed in Mr. Tindeman's Report on European Union. I personally fully share his perception that this Union requires greater understanding of European integration and of the European cultural heritage as well as improved mutual knowledge and understanding among the peoples of the Community. These are to be the objectives of the Foundation, which will be seated in Paris and set up on a Community basis by means of

agreements concluded by the representatives of the Governments of the Member States meeting within the Council.

A problem, regrettably common in recent years to almost all Member States, which engaged our attention, was that of terrorist violence. The European Council declared its deep distress at the kidnapping of the former Prime Minister of Italy, Signor Aldo Moro and the murder of his escort and expressed its complete solidarity with the Italian people and Government. I avail of this opportunity to reiterate in a parliamentary context, the personal concern and sympathy I have already expressed and my hope for the early safe deliverance of Signor Moro whom I had the pleasure of meeting on a number of occasions and who participated, as Italian Prime Minister, in the first meeting of the European Council in Dublin three years ago.

We agreed that high priority must be given to the intensification of co-operation among the Nine to protect our societies against such terrorist violence. I spoke particularly in support of the proposal - which was agreed - that the relevant Ministers should increase their mutual co-operation and submit as soon as possible their conclusions on the proposals to establish a European judicial area, as suggested at our last meeting by President Giscard d'Estaing.

Also at his initiative and arising from the recent pollution disaster affecting the coast of Brittany, we adopted a text assigning a high Community priority to the prevention and combatting of marine pollution, particularly by hydrocarbons. Community action in this area is very desirable and, of course, greatly in our interest, as an island State with substantial

interests in tourism and fishing.

The principal political matters discussed within the framework of European Political Co-operation were East-West relations in the wake of the Belgrade conference, the Middle East and the situation in a number of areas of Africa. In relation to the Middle East, there was full support for the resolutions of the U.N. Security Council dealing with the situation in Southern Lebanon and with the principles of a general peace and settlement in the area as a whole. The Government, of course, as I was happy to confirm yesterday to Secretary General Waldheim, are fully in accord with this common position of the Nine in their support for these resolutions and for co-operation by all parties with the U.N. Interim Force for Lebanon in the execution of its mandate. I may mention that the question of Irish participation in the peace keeping force there was discussed with the Secretary General yesterday and will be decided in the light of developments.

All of the matters I have mentioned are important. But undoubtedly, the principal area of concern at the Copenhagen meeting was the international economic and monetary situation.

The general assessment of this situation and of future prospects remained sober and the focus was on how to achieve non-inflationary growth in the Community generally. I am glad to be able to say that the Head of Government of one of the larger Member States noted that the Government here seemed already to have discovered the secret of success at national level, by achieving last year and perhaps again this year the highest rate of growth of any country in the Community combined with a substantial reduction in inflation.

It is good to see our achievements noted abroad but I have no illusions that the continued success of our efforts will depend to a considerable extent, on successful action to master world economic problems, and on our own ability to act with moderation and foresight.

The Copenhagen meeting was not an occasion for final decisions on action. It concentrated rather on analysis, looking forward to decisions at the next meeting in Bremen in July and at the so-called World Economic Summit in Bonn shortly thereafter. There was concern at the continuing high unemployment and at the sluggish rate of growth in the Community which at less than 2% last year was totally insufficient even to maintain employment at its existing level, not to mention the difficulties which could emerge with the greatly increased numbers of young people who will be seeking jobs in almost all Member States in the next few years. It was felt that the endemic monetary instability of recent years had a large role in creating the problems from which we suffer. Particular attention was given to the effects of disturbances affecting the dollar which are greatly in disproportion to its importance in world trade. It was noted that the EEC was the only one among the three main forces in the developed world suffering from internal monetary disturbances - and this despite the fact that the Member States have \$150 billion of trade among themselves. We talked of certain ideas on how the Community could make a contribution to world-wide monetary stability that would be commensurate with its importance in world trade.

Further work is to be done on these ideas within the context of a common strategy which we agreed to develop over the coming three months and which, in addition to economic and monetary affairs, will cover employment, energy, trade, industrial affairs and relations with the developing world. There is to be an assessment of the effects of present national economic policies and of the /...

scope for additional co-ordination measures. During this period the Community will make better use of existing common facilities to alleviate present restraints on Member States scope for action, particularly those arising from balance of payments difficulties. This will involve, inter alia, a doubling of the capital of the European Investment Bank and the Community Loan Facility. It was thought essential that the Community should have achieved an annual growth rate of 4½ per cent by mid-1979 but it was recognised that even with progress in accord with this guideline, there was a need to advance consideration of complementary, specific measures to combat unemployment, particularly among young people. The Council agreed with the tripartite Standing Committee on Employment that while the best way to deal with unemployment was to create new jobs through active economic, employment and investment policies, there should be further consideration of whether work-sharing measures could play a supplementary part. Here, I might mention that the same Committee noted, rightly I believe, the need to overcome difficulties both of principle and implementation, particularly as regards the costs involved.

At my suggestion, with Italian support, the Council pointed out that the pursuit of greater internal cohesion, implying also a reduction in regional imbalances, constitutes one of the key objectives of the Community. It is an ill wind that blows no one any good and one satisfactory result, from our point of view, of the general economic difficulties, is that the larger countries within the Community have come to appreciate how unacceptable is the persistence of high rates of unemployment of the kind to which, unfortunately, the less developed regions have had too

lengthy experience. There is a danger that policies to overcome unemployment, might be tailored largely or exclusively to meet the more recent problems of the central areas of the Community.

We have indicated clearly both at the meeting in Copenhagen and when the President of the Commission paid a visit here in advance of the meeting, that Community policies generally must be applied with due regard to the different impact between central and peripheral regions and that there must be better coherence between the implementation of industrial structural policies and the objective of reducing regional disparities which requires that less developed States and regions must achieve higher than average growth. Regional policy guidelines, including proposals for automatic assessments of the regional impact of proposals in other areas of Community policy, have been under discussion at official level for some time: in addition, the Commission's work programme for 1978 suggested that there might be a need to establish correcting mechanisms where the regional impact of policies would be harmful. These are useful ideas, so far as they go, but their implementation has been too long delayed. I suggested, therefore, that progress should be expedited with a view, possibly, to an early meeting of the Council, that is the Foreign Ministers, concentrated on regional policy. We will be pressing this further, in the light of the positive attitude of the European Council.

While I might have wished that we had already reached the stage of taking concrete decisions, I am otherwise generally satisfied with the moves envisaged in the economic sphere. In particular, I believe that an enhanced Community role in the promotion of

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greater monetary stability is necessary and deserves support. The Government have the national implications of this matter under study.

Associated with our general economic discussion, we had a report on progress made in Community consultations with Japan with special reference to the reduction of Japanese balance of payments surpluses, consultations which resulted in a joint communique in Tokyo on 24th March. This was seen in Copenhagen as a first step in continuing consultations. We wish to increase our exports to Japan and Japanese investment here and I therefore hope that co-operation between the Community and Japan can be further developed and extended in the interests of both sides and of the world economy.

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Before going to Copenhagen, I had written to the British Prime Minister, Mr. Callaghan, suggesting that it might be useful if we met on the occasion of the Council to discuss different aspects of the Northern Ireland situation and other matters of mutual interest. Mr. Callaghan readily agreed.

We had an informal and most useful meeting. We looked back to our discussion last September, affirmed the views expressed in the communique following that meeting and reviewed the progress since then in the political, economic and security areas. We agreed that there should be further meetings between Ministers, as necessary.

I mentioned our belief that the only basis for permanent peace and stability and a harmonious relationship between Britain and Ireland is the coming together of the people of Ireland under agreed structures. I said that we thought that progress towards this objective would

be facilitated if the British Government were to declare its interest in Irish unity and join with us in working towards that end. The difference between us on this issue was clearly and frankly acknowledged. In particular, we agreed that within this known framework of difference, there was scope for the fullest co-operation on political, security and economic areas. All three are, in fact, regularly discussed at political, diplomatic and official level.

I reiterated my belief in the need, in the interim, for structures of government in Northern Ireland involving power-sharing, partnership, or participation - however described - on a basis agreed by both sections of the community there. I am satisfied that the proposals for a system of limited devolution of powers to a Northern Ireland elected body are still on the table and I indicated our support for any effort to advance these proposals on the principles I have mentioned.

On the security and economic issues, we did not go into any great detail. Both of us were concerned that the meeting should look forward, rather than backwards. I stressed the very real commitment of the Government in relation to security. We are anxious that the existing co-operation, which is satisfactory, should continue. This, with political and economic issues, will be among the items to be discussed at the forthcoming meeting between the Minister for Foreign Affairs and the Secretary of State.

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The meeting in Copenhagen was only the second of the European Councils I attended and I do not propose to give any general

assessment of these meetings or of the role of the European Council. Deputies may recall that I was critical of the results of these meetings in replying here to statements by my predecessor. I regard the Copenhagen meeting as having been useful in developing personal contacts and an appreciation of the views and preoccupations of the various Heads of State and Government. The meeting provided a forum for an exchange of views at the highest level on the critical problems facing the Community and the world, and on possible ways of dealing with them: and it is in that light that increasingly its benefits will be seen.