

Record low turnout in Irish referendum returns "No" vote for European Union expansion

Richard Tyler
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By the narrowest of margins, in a record low turnout, Ireland has voted against endorsing the Nice treaty that opens up European Union membership to many Eastern European countries.

The result of the referendum on June 7 came as a shock to the political establishment in Dublin, which had uniformly backed a "Yes" vote. Opinion polls on the eve of the referendum had predicted the measure would pass comfortably.

The referendum was held after a very short campaign and saw a turnout of just 35 percent by Ireland's 2.9 million registered voters. Only two constituencies out of 41 returned a "Yes" vote, with the "No" camp totalling 529,478, a majority of only 76,017 votes (53.87 percent).

The result unleashed consternation across the continent, with European Commission President Romano Prodi calling it "a profound disappointment". Swedish Prime Minister Göran Persson, who currently holds the rotating EU presidency, warned, "there's a risk that it [EU enlargement] could be delayed or hampered."

For the Nice treaty to come into effect, all 15 EU member states must ratify it. Only Ireland is holding a referendum, following a 1987 constitutional challenge that means all treaties impinging upon Irish sovereignty have to be submitted to a plebiscite. Other countries are putting the accord to a vote in their national parliaments.

The agreement between the 15 EU governments in Nice last year was reached only after an acrimonious summit and represents the barest compromise. As well as paving the way for many eastern and central European countries to join the EU, the treaty includes structural reforms to various EU bodies in anticipation of their joining. The larger countries—Germany, France, Spain, Britain and Italy—agreed to forgo their second EU Commissioners, but their vote in the Council of Ministers was adjusted, giving them more "weight" against the smaller countries, including Ireland.

The summit text also included references to the further development of the independent European military capability, the Rapid Reaction Force, and envisages the establishment of a European constitution harmonising human rights throughout the EU.

Despite the problems incurred in finalising the treaty at the Nice gathering, the EU governments are generally committed to implementing its terms. Including neighbouring countries such as

Poland, Hungary and the Czech Republic in an expanded EU is regarded as vital to ensuring the growth of Europe as a political and economical counterweight to the US.

For this reason, leading European politicians moved rapidly to ensure that the "No" vote in Ireland would not lead to the treaty being reopened for negotiations, something the French daily newspaper *Le Monde* said would "open a Pandora's box". The Irish government, anxious to extend trade links with Eastern Europe, has also said it will not seek to renegotiate the accord.

At the Franco-German summit in Freiburg on Tuesday June 12, just ahead of the EU heads of government meeting in Gothenburg, Sweden, President Chirac and Prime Minister Jospin agreed with Chancellor Schroeder that the referendum could not hold up EU expansion. They insisted there would be no renegotiation of the Nice treaty, but they would make, as yet, unspecified efforts to ensure a second Irish referendum passes.

At the EU foreign ministers meeting in Luxembourg the day before, Irish Foreign Affairs Minister Brian Cowen had said his government would hold a second referendum before the end of 2002, by which date the treaty must be ratified by all 15 EU states.

Still, Irish government representatives were at a loss to explain how they came to lose the vote, given the almost unanimous support from all the major parties, business associations and the unions. Deputy Prime Minister Mary Harney said she was "very worried" and Foreign Minister Brian Cowen told the Luxembourg meeting his government was still trying to interpret last week's vote, "I don't intend for Ireland to be isolated in Europe. That is not in Ireland's interests, and it's my job to protect Ireland's interests." Ireland would "not act as a brake" on EU expansion, Cowen said.

As well as the Fianna Fáil government of Bertie Ahern, those advocating endorsement included the opposition Fine Gael and the Labour Party, the Irish Business and Employers Confederation, the Irish Farmers' Association and all the main media. Even the Church weighed in for a "Yes", with a statement by the Irish Catholic Bishops supporting the Nice treaty.

The "No" camp was a disparate mixture of independent politicians, extreme rightwing Catholics, some smaller farmers' organisations, Sinn Fein and various pressure groups, pacifists, environmentalists. Their arguments reflected the heterogeneous character of those calling for the Nice treaty to be rejected. Some

opposed any encroachment by the EU into Ireland's strict laws on abortion and contraception. Others claimed it would mean the further loss of Irish sovereignty to Brussels and, more significantly, a lessening of subsidies once the poorer Eastern European countries became EU members. Ireland's participation in the future European army was also seen by some as compromising the country's traditional neutral status.

Writing in the *Irish Times*, Fintan O'Toole said, "I suspect that the most influential group in terms of getting the No vote out were essentially the same people who have campaigned so effectively in the various divorce and anti-abortion referendums"

The *Sunday Business Post* said the government's campaign began well but "quickly disintegrated into negative campaigning of the worst kind".

"The voters understand the terms of the Treaty reasonably well. But they recognised that the government, instead of promoting open and honest debate, was seeking to railroad the vote through by talking down to the electorate, by hectoring the opponents of the Treaty and by caricaturing opponents of the Treaty as 'sinister' or 'rightwing' or 'funded by obscure foreign interests'".

In ruling circles support for the EU is seen as decisive for Ireland, which has grown economically out of all recognition since it first joined the European Economic Community (EEC, the forerunner to the EU) in 1973.

According to Agriculture Minister Joe Walsh, since joining the EU "Irish farmers have received direct payments of £23 billion from the Union and this continuing on an annual basis of direct, in-the-envelope, cheques of £1 billion annually". Walsh said that "huge amounts of money" were also coming into the rural economy through the Rural Environment Protection Scheme and others.

Ireland has also received "Cohesion funding", given to areas with income less than 75 percent the EU average, for use on major infrastructure projects. An unnamed Brussels official, quoted in the press following the referendum, stated, "They couldn't have a proper debate about the EU before, because Brussels was pouring millions of pounds into roads and constructions projects, the very projects which have transformed Ireland into the dynamic country it is today—but come 2006 the Irish know that the money will dry up."

It is not just the agricultural sector that has benefited from Ireland's EU membership. Irish Business and Employers Confederation (IBEC) Director General Turlough O'Sullivan said that when Ireland entered the EEC in 1973, "we were far behind the rest of Europe, with GDP at 60 percent of the European average. Now we are ahead, with GDP at 120 percent of the European average." O'Sullivan said he was voting "Yes" because "I believe in free trade".

Ireland's trade with the EU is worth £52.8 billion, by far the biggest component of the country's economy and now dwarfing agriculture, which only comprises 5 percent of GDP. Although trade with the countries in eastern and central Europe seeking to join the EU presently only represents 3 percent of Ireland's EU trade, O'Sullivan estimates that the greater access to these states following implementation of the Nice treaty could boost Irish trade by 30 percent.

The Irish government has sought to attract foreign investment by offering generous tax breaks to the transnational corporations that locate their operations in Eire. At the same time, corporatist agreements reached with the employers and the unions have enabled wages to be kept down.

This policy has met with some success. Although Ireland contains just one percent of the EU population, it receives 12 percent of all foreign manufacturing investment into Europe. The transnational corporations have invested in Ireland as a low wage platform giving them access to the European market. This has been further sweetened by Dublin offering the lowest corporate tax levels in the EU, as well as very low levels of personal taxation for the wealthy.

One estimate is that major foreign corporations, which include Intel, IBM and Sandoz, now employ 45 percent of the Irish workforce.

Such has been the growth of its economy that an IBEC paper produced in 1997 forecast that Ireland would become a net contributor to the EU after 2006.

However, Ireland's phenomenal economic growth, which saw the country dubbed the "Celtic Tiger," has only benefited a thin layer of the population.

Monitoring Poverty Trends, a report published in June 1999 found that the number of people experiencing income poverty was generally higher in 1997 than in 1994. This major study, carried out by the Economic and Social Research Institute, revealed that some 35 percent of the Irish population fell below the poverty line in 1997, with 22 percent experiencing more extreme deprivation being forced to live on £78 a week or less. The figures were an increase on earlier studies.

The "No" vote was politically confused and contained some very reactionary elements. Together with the record abstention, it reflects the fact that the Irish ruling class has been unable to mobilise much enthusiasm for the "European project" being advanced by the EU, given that its benefits are being enjoyed by relatively few.

The other EU governments are not prepared to see the Nice treaty fail from just 70,000 Irish votes. They will seek a "Danish solution" (after the first one failed, Denmark held a second referendum on the earlier Maastricht treaty on the single European currency). This would probably offer some supplementary protocols or addenda, taking up the question of Ireland's neutrality and the country's right to ban abortion, to try and neutralise some of the arguments of the "No" camp.

For its part, the Irish government has indicated that it may bring forward the general election to next year, holding a second referendum shortly afterwards.



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