

Embargo : 20.00 hours on Tuesday 2nd December 1975

The Rt Hon George Thomson's Address to the Honourable The Irish /  
Society : LONDON, 2nd December 1975

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I would like to thank the Honourable The Irish Society for their invitation tonight and to congratulate them and the Lord Mayor and City Corporation on the constructive and conciliatory purpose which led them to cooperate together in bringing this occasion about.

The City I have always found a remarkable institution - full of surprises about the good works it does of which too little is known. I recall my astonishment at discovering the nation's Central Criminal Court, the Old Bailey, is sustained not by the nation's taxpayers, but by City generosity, and I found out when I was Secretary of State for the Commonwealth how shamelessly Her Majesty's Governments of all political complexions exploit the generous tradition of City hospitality (which we have been enjoying tonight) whenever they have a distinguished overseas leader to entertain.

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But I confess I did not know that the London in Londonderry went back to an historic link between the twelve great City livery companies and the City of Derry, of which the Honourable the Irish Society was the result. You, my Lord Mayor, having served on the Society's Court of Assistants, personify this partnership between London and Londonderry. It is a partnership which has moved with the times, beyond the conventional, though important, work of charity to a concern with the total economic development of the Londonderry/Donegal area. I have visited both Londonderry and Donegal since taking up my present work and I found it an area where everyone, whatever their private views about current troubles, recognised the reality and the closeness of the economic links between the areas on either side of the border.

( ) One of my duties as the European Commissioner with a special responsibility for Regional Policy is to try to promote cooperation across the internal frontiers of the European Community. There are in fact no less than eleven

... he said at once that the border area we are concerned about tonight is by far the poorest and the most troubled of them. It is also the newest of the Community's internal frontiers and perhaps a glance at the others may provide some grounds for cautious hope about the future. And the existence of the Community has had a healing and helpful role to play in the frontier problems of its original members.

The majority of the older frontier regions of the Community are poor compared to the level of prosperity in the state of which they are part. Most of them have a troubled history behind them, since they were fated to be the battlefields in the European civil wars of the past. Two of the less-developed regions for which I am responsible straddle the German frontier where the Siegfried line once stood. I go walking there at weekends now, for it is a cross-border European national

park where, with your pack on your back, and without a passport in your pocket, you can go backwards and forwards across the bridges once bristling with barbed wire and land mines.

Last week I visited the border regions of Schleswig Holstein, which lie across the German/Danish frontier. In the 19th century and later the Schleswig Holstein question was one of Europe's unsolved and many thought insoluble border problems. It is a problem no longer, but an area of practical pragmatic cooperation with Denmark and Germany inside the same European Community.

Next week I shall be visiting the internal border area where perhaps the most imaginative and productive experiment in cooperative economic planning has been made. I refer to the border between Germany and the Netherlands, which provides a most interesting example of cooperative cross-border economic planning and development. This particular border area, though no great distance from some

of the very richest and economically most developed parts of Europe, suffers nonetheless from several of the handicaps which border areas everywhere share - uncoordinated transport links, legal differences hindering joint economic undertakings, differences in taxation arrangements, and so on. And, like so many of the Community's eleven borders, it suffers from a practical handicap from which Ireland is mercifully free - an international language barrier.

But the border region we are concerned with this evening has a special handicap in European Community terms - that the two Member States it spans are two of the three E.E.C. countries which themselves most need outside help for their regional economic development; that the whole of the territory of the Republic of Ireland and of Northern Ireland are priority areas in Community terms.

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The people of Donegal have the lowest income per head in the whole E.E.C. The number of people suffering unemployment in both Londonderry and Donegal has for long been much higher than the respective national averages. There have been too many people too dependent on too poor an agriculture and for well over a century there has been high emigration from both areas. Areas with problems as grave as these deservedly receive special attention and priority from national governments. They deserve no less from the European Community.

Against this background, your distinguished Society's kind invitation for this evening has come at a most happily chosen moment. For, within the last fortnight, the governments of the United Kingdom and of Ireland have agreed to make a joint approach to the European Commission for financial assistance with two carefully chosen studies which promise to bring much needed practical benefit to the people on both sides of the Irish border.

One of these two proposed studies relates to assessing the distribution of herring, whiting and queen scallops in the Irish Sea, and examining how these resources can best be used and conserved. Problems of pollution and conservation know no frontiers, and the Community provides a good framework for dealing with matters that are often more difficult on a purely bilateral basis. This is, I am sure, a most useful and potentially productive area of enquiry, and I wish it well. But as we are particularly concerned this evening with the Londonderry/Donegal part of Ireland, I shall concentrate my remarks on the other study jointly proposed by the two Governments.

This study concerns the comprehensive development of communications in the Donegal/Londonderry area. In Brussels we look forward with great interest to receiving full details of what is proposed, the proposed scope of the study, and how it is to be carried out. Since we have no doubt about the importance of improved communications of all kinds for the economic development of this part of

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Ireland, I have every hope that we shall be able to include a 50% contribution to the cost of the study as a priority call on the budget we have available to join with national governments in meeting the cost of economic regional development studies.

This happens at the right time, when the Community's new Regional Development Fund is just beginning to get off the ground, thus making a new source of money available for regional development in just such areas as Londonderry and Donegal. Of course the European Investment Bank, the European Social Fund and the Guidance Section of the European Agricultural Fund have long had financial resources to contribute to vocational training and job-creating investment. Already in the three years since the enlargement of the E.E.C., these three sources of funds have made useful contributions in both Londonderry and Donegal. They will continue to do so, on I hope a steadily expanding scale. But now we have also a European Regional Development Fund, which has been created

specifically to help with the problems to be found in such large measure in one part of Ireland or another - those resulting from a preponderance of agricultural employment, from the difficulties of industrial change, and from structural under-employment.

So far, the new Regional Fund has had time only to make a small start in the Donegal/Londonderry area. In the first allocations from the Fund in October we announced grants to advance factories and industrial estates on both sides of the border and to a number of other important, but fairly small-scale investments, including in particular water supply schemes, on the Donegal side. The first actual cash disbursed from the Fund anywhere in the Community was paid over last week, and I am glad to report that it was paid to Ireland. A second batch of grants from the Fund will be announced later this month. I hope we shall then be able to begin to show that the Community can make a really significant contribution to the promotion of the investment and the new jobs that this area so badly needs.

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You may know that the Fund's rules require the Commission, in allocating grants, to take special account of whether the investment falls 'within a frontier area'. Of course many investments near a border, even if physically confined to one side of the border, can be expected to bring benefits to the other side in terms of jobs and general prosperity. The Fund should also have opportunities to contribute to coordinated investment projects on either side of several of the Community's eleven border areas.

I say this because financing studies is one thing, and necessarily the first step. What I most look forward to from the comprehensive study to be made of communications in the Londonderry/Donegal area is the recommendations it makes for actual investment projects to improve the present facilities. At that stage I hope the European Community may be able to offer further financial assistance, and on a larger scale, by way of grants from the Regional Development Fund. The terms of reference of the communications study most prudently include a saving clause about the necessity for its

recommendations to have regard to financial constraints.  
I am happy that, thanks to both parts of Ireland belonging to the European Community, these constraints can now be a little bit looser.

Although the initial resources of the European Regional Development Fund are in many ways disappointingly modest, there is no doubt that the counties of Donegal and Londonderry are, in Community terms, among those parts of my constituency of under-privileged regions that enjoy the very highest degree of priority for the expenditure of this new Community money. I would hope too that by careful planning of our use of the Fund to help these under-privileged regions, we can demonstrate the value of such Community assistance. If we do this, I am confident that the Member States of the Community will see the wisdom of increasing the flow of financial assistance to Donegal/Londonderry and similar regions of Europe. If they do this, we can look forward to a much enlarged REgional Fund when it comes up for renewal before the end of 1977.

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I finish with a word of caution about not expecting too much from the Community's contribution to trans-border cooperation. I hope we can make a constructive economic contribution to providing jobs and mitigating the suffering of unemployment. But the Community Regional Fund has no magic wand to contribute to a solution of the political problems associated with the border.

I am reminded of that well-known quotation from that famous Anglo-Irishman Dean Swift that "whoever could make two ears of corn grow upon a spot where only one grew before would deserve better of mankind and do more essential service to his country than the whole race of politicians put together".

It is a tempting doctrine, especially to a Regional Commissioner who is a semi-ex-politician, but it is to be resisted. In our parliamentary democracies the political problems can only be solved by the politicians and there are no economic short-cuts. This enables me to pay a personal tribute to two politicians on either side

of the border, who have worked so hard to find a peaceful solution to these problems - to my old colleague, Merlyn Rees, whose steadfastness and sheer courage and character have carried him with honour through two years in the toughest office in any British Government; and to my new colleague, Garret FitzGerald, who this year was an outstanding President of the European Community with a vision of its future but who never forgot that the test of the European Community is what it does for the standard of life and quality of life of the unemployed school-leaver in an area like Donegal and Londonderry.