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Ireland anxious any EU treaty changes limited

By Jamie Smyth in Dublin

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Ireland would have to hold a referendum on any new European treaty that involved a transfer of power from Dublin to the European Union level, the Irish government has warned.

The Irish government is anxious to ensure that any changes to EU treaties agreed at a crucial summit on Friday are sufficiently limited in scope to avoid a referendum which it could struggle to win. Memories of the rejection of the Lisbon treaty in 2007 are still fresh and Dublin would face real difficulties in passing a complicated text strengthening EU oversight of budgetary affairs.

Lucinda Creighton, Ireland's European affairs minister, told the Financial Times a decision on whether to hold a referendum on any EU treaty changes proposed at Friday's EU summit depended on what is proposed. "If there is a transfer of competencies from the state to the EU level then a referendum will be required. If not, then it won't," she said.

Enda Kenny, Irish prime minister, raised his concerns directly with German chancellor Angela Merkel in Berlin last week when he said he did not approve of "major competency changes", which is code for any treaty changes that would trigger an Irish referendum.

Opponents of previous EU referendums say the government will want to do everything it can to avoid putting changes before the people. They also believe winning a referendum on treaty change would be difficult in the current economic environment.

"Undoubtedly they [the government] would terrorise people by saying a no vote would bring ruination but there would be strong arguments from our point of view given the crazy financial situation in the country," said Joe Higgins, a member of parliament from the Socialist Party.

With unemployment at 14.5 per cent and a further €12.4bn in austerity measures planned over the next four years, the government would likely face a large protest vote in any referendum. An opinion poll published by The Irish Times in October showed 47 per cent would vote against a proposal to amend the Lisbon treaty while just 28 per cent said they would vote.

Compared to when the Lisbon treaty was voted on for a second time in 2009, there are now significantly more Eurosceptic members in the Irish parliament. Sinn Féin has more than tripled its representation to 14 members of parliament, the United Left Alliance has five

members and there are more than 20 independent members- many of who would campaign against treaty change.

“There is a bigger platform of elected representatives to oppose changes,” says Mr Higgins.

Assessing exactly what EU treaty changes would require an Irish referendum is still a subject of academic debate in Ireland and raises tricky legal and political issues for incumbent governments.

Since 1987 all major EU treaty changes have been put to referendums.

Gavin Barrett, an expert on constitutional law at University College Dublin, says proposals to veto national budgets or give the European Court of Justice the power over fiscal decisions could prompt the need for a referendum but it is difficult to predict.

“The Crotty test is if the change goes beyond the existing scope and objectives of the existing treaties,” he says.

John Bruton, a former Irish prime minister and EU ambassador to Washington, says proposals tabled by a think tank connected to the European People’s Party for a stability bond may not trigger a referendum in Ireland. He said Ireland would have to provide a guarantee for the bonds but wouldn’t be obliged to use them under EU law.

The diplomatic thunderstorm that followed the rejection of the Lisbon treaty and the Nice treaty in 2001 is not something the government wishes for now at a time of crisis. Ireland was the only country to hold a referendum on the Lisbon treaty and it was soon clear its EU partners would not allow it to block progress on reforms that had taken the best part of a decade to draw up. Sixteen months later when Ireland voted yes in a second referendum, the economic crisis was the main reason it passed.

There can be no guarantees what might happen if a referendum is put to the Irish people following the bail out by the European Union and International Monetary Fund. But a potentially more dangerous course of action for Ireland would be to opt out of any new core eurozone group of countries that go ahead with a fiscal union.

“This could mean that finance is only available for those countries which enter the union voluntarily,” says Mr Barrett.

Senior ministers in the Irish government believe a referendum could be carried if it was packaged together with debt relief for Ireland, particularly for a portion of the euro 70bn used to bail out its banks.

“It is possible to pass a referendum in Ireland but it depends on the question that is asked. We will also be looking for better conditions for our bail out programme. We are looking for some solidarity,” said Ms Creighton.

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