ORGANISING FOR A CHANGING EUROPE:
IRISH CENTRAL GOVERNMENT AND
THE EUROPEAN UNION

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Executive summary

The aim of this paper is to assess Ireland’s management of EU policy making in the light of changes in the Union and in Ireland’s position in the European system. It is the contention of this paper that there are gaps in the management of European policy that should be addressed before the next enlargement so that the Irish system can adapt to and shape the emerging agenda in the EU. The arguments are developed in six chapters.

1. Chapter one addresses the changes in the EU that affect Ireland and changes in Ireland that affect its position in the Union. Ireland’s position in the Union has been altered by high growth rates since 1993 which has transformed Ireland from a relatively poor state into a competitor for jobs and foreign direct investment. Most Irish officials interviewed for this study have experienced a discernible shift in attitudes towards Ireland. This could be characterised as a ‘very close scrutiny of the Irish file’ by Commission officials. The key changes in the Union are enlargement, the management of the Euro, the common foreign and security policy and co-operation in justice and home affairs.

2. Chapter two analyses the nature of the EU’s system of public policy making and the demands it makes on the member states. The section distinguishes between the pre-negotiating phase, the decision-making phase and the implementation phase. Management of EU business requires a differentiated approach to the three phases of the policy process.

3. Chapter three analyses the structures and processes for managing the interface between the national arena and the Union’s policy process. There are essentially two models for managing the interface – containment and internalisation. The containment model attempts to adopt a gatekeeper role in relation to interaction with Brussels whereas the internalisation model is characterised by the dominance of the ‘lead department’. The Irish system is governed by the principle of the ‘lead department’ which means that the line departments take responsibility for EU business that falls within their ambit. Moreover within departments, there is a high degree of delegation to individual officials. This section analyses the role of six departments in EU policy making.

Three departments – the Taoiseach’s department, Foreign Affairs and Finance are identified as the ‘holy trinity’ of EU business. All three have a major role in integrating Ireland’s European policy, are involved in all key negotiations and are responsible for the functioning of the system
as a whole. The Department of Foreign Affairs has been transformed by EU membership and because of the nature of EU politics has become more integrated with the domestic system of government. In its Strategy Statement, the department identifies itself as advocates of EU awareness in the Irish system and as custodians of Ireland’s structures and processes for managing EU business. The Department of Finance, by virtue of its role in the co-ordination of public policy and its control of budgets, has a key role in the management of the relationship with the EU. The single market and single currency projects have enhanced this role. The growing role of the Department of the Taoiseach reflects the importance of the European Council in the governance of the Union. The department exercises its role by drawing on the expertise of other departments because its International Secretariat only has a complement of five staff. It opts for a strategic focus on the key dossiers and will not involve itself in the detail. The three departments are complementary rather than competitive in their relationship because they must pool their limited resources to adequately manage the interface with Brussels. The analysis then turned to three big line departments – Enterprise, Trade and Employment, Agriculture, Food and Rural Development, and Justice, Equality and Law Reform. The paper identifies the different challenges facing the three departments because of the nature of their involvement in EU policy making.

The analysis moves on to the structures and processes for managing horizontally across the system. The Irish Permanent Representation in Brussels is a central node in the management of EU business as it services the Council system and acts as a conduit between Dublin and Brussels. It is widely perceived in the domestic system as having considerable capacity. EU co-ordination units within departments are also prevalent. They range in size from the largest in Agriculture, Food and Rural Development (nine staff) to Tourism, Sport and Recreation with just two. For most of these units their central role relates to circulating EU related material and preparing briefs for Council meetings. None of them appears to have the resources or the remit to act as a think tank on EU issues or to initiate debates/reviews within the individual ministries on strategic EU issues. In all member states, committees are the main institutional device for formal horizontal co-ordination. The Irish Committee system is less formalised and less institutionalised than those found in other member states. The Ministers and Secretaries Group (MSG) is the main device for ensuring co-ordination on the big strategic issues in Ireland. It has a general supervisory role in relation to EU policy but tends not to meet unless there are pressing EU negotiations.
4 Chapter four analyses the system for EU management in the Netherlands and Finland. Both states have adopted, like Ireland, a strategy of internalisation but have done so in a different manner. The Dutch system has a number of inter-ministerial committees that are chaired by the Directorate Integration Europe, of the Dutch Foreign Ministry. Moreover, there is an instruction meeting held every Tuesday to transmit negotiating instructions to the Permanent Representation in Brussels. The Dutch committees meet frequently on the basis of a well-established calendar. The key device in the Finnish system is the Committee for European Union Affairs which consists of seventeen senior civil servants and is chaired by the Prime Minister’s Office. Its work is serviced by thirty-nine policy committees which include civil servants and representatives of the social partners. The Irish system, in comparison, is much less deliberative and system bound and is characterised by an extremely unsettled pattern of inter-departmental committees.

5 Chapter five assesses the Irish system in light of the analysis. In order to characterise the dominant policy style, a threefold categorisation of co-ordination styles is utilised. These are centralisation, formalisation and socialisation. The study identified three examples of effective centralisation in the Irish system, the 1996 Presidency, the management of the Intergovernmental Conference (IGC), and the Agenda 2000 negotiations. However, the management of two other negotiations while the Agenda 2000 negotiations were in full swing, the duty free campaign and the decision on regionalisation, was not particularly effective. The Irish system is weakest at formalised co-ordination. There is no ‘Bible on European Matters’ in any department or for the system as a whole. The pattern and timing of committee meetings is haphazard. There is no centralised tracking and monitoring of the transposition of EC legislation. Irish officials almost all voiced a pronounced dislike of systems-driven bureaucratic processes. There is a minority, however, who are concerned with the procedural weaknesses of the system. The Irish system’s informal effectiveness rests in large measure on socialisation and shared norms. Membership of the EU has led to the emergence of a cadre of officials at senior level and at the top of the operating core (PO level) who have developed a deep knowledge of the EU and the ‘rules of the game’ in Brussels. Although small in number, this cadre is the largest cross-departmental cadre in the Irish system.

6 Chapter six offers a number of recommendations arising from the analysis. The paper concludes that there are gaps in the management of EU business that should be addressed before the next enlargement. The
recommendations are grouped under four headings.

**Ensuring adequate prioritisation and maintaining a strategic perspective:** The fragmented nature of the Union’s policy process and the weight of competing concerns at national level militates against giving EU business adequate attention either at political or senior official level. Devices must be found to ensure that the Taoiseach and senior ministers get the time to periodically review EU policy and institutional developments. A strategic perspective must rest on a number of different but inter-related assessments. First, it is necessary to review on a continuing basis the impact of the accession of the states of east central Europe on the real economy of the Union in terms of the market, fiscal regimes, structural spending, international trade and agriculture. Second, the Irish system must begin to take into consideration the likely future costs of policy changes when reviewing decision rules and major policy developments. Third, difficult questions must be posed about the institutional capacity of the Union and the need to preserve small state presence. Fourth, there is a need to assess the development of bilateral relations between the member states of the Union and to see where Ireland may need to strengthen its ties.

**Responsibility for the functioning of the system:** The system is driven to such a degree by the EU timetable and the evolving agenda that it has a limited capacity to review structures and processes on a periodic basis. The Department of Foreign Affairs Strategy Statement is largely aspirational as regards EU Co-ordination because it is not backed up by agreed reviewing processes and timetables. The DFA should formally discuss on a bilateral basis with line departments their structures and processes for managing EU business. A review of horizontal processes is also required.

**The role of individual departments:** The impact of the EU on the Irish system is so pervasive that each department must be vigilant about how it manages EU matters. Departmental strategy statements all acknowledge the importance of Brussels in policy terms but they do not devote any attention to how interaction with Brussels should be reviewed and enhanced. Processes are needed so that EU business gets sufficient attention from senior management in line departments. Departments should develop internal guidelines on how EU affairs should be managed.

**Overcoming the ad hoc nature of the Irish system:** The flexible and informal nature of the Irish system served Ireland well in a smaller and less prominent Union. It is not appropriate to the next phase of integration when it will be harder for Ireland to have its voice heard. A far higher degree of formalisation in procedures/processes is required
and line departments must become much more conscious of the importance of the pre-negotiating phase. The Irish system would also benefit from the establishment of a mechanism to review each Commission proposal before it goes to Brussels. The cabinet sub-committee and the group of senior officials should be formally institutionalised with a pre-arranged calendar of meetings.
Acknowledgements

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### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AG</td>
<td>Attorney General</td>
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<tr>
<td>BNC</td>
<td>(Dutch) Review Committee on New Commission Proposals</td>
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<tr>
<td>CAP</td>
<td>Common Agricultural Policy</td>
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<tr>
<td>CEEC</td>
<td>Countries of Central and Eastern Europe</td>
</tr>
<tr>
<td>CFSP</td>
<td>Common Foreign and Security Policy</td>
</tr>
<tr>
<td>Co-Co</td>
<td>(Dutch) Co-ordination Committee</td>
</tr>
<tr>
<td>Co-CoHan</td>
<td>(Dutch) Co-ordination Committee at Higher Civil Servant Level</td>
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<tr>
<td>COREPER</td>
<td>Committee of Permanent Representatives</td>
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<tr>
<td>DAF</td>
<td>Department of Agriculture, Food and Rural Development</td>
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<tr>
<td>DF</td>
<td>Department of Finance</td>
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<tr>
<td>DG</td>
<td>Directorate General</td>
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<td>DFA</td>
<td>Department of Foreign Affairs</td>
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<td>DJ</td>
<td>Department of Justice, Equality and Law Reform</td>
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<tr>
<td>EAC</td>
<td>European Affairs Committee</td>
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<td>ECB</td>
<td>European Central Bank</td>
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<tr>
<td>ECOFIN</td>
<td>Council of Economic and Finance Ministers</td>
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<tr>
<td>ECJ</td>
<td>European Court of Justice</td>
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<tr>
<td>EEC</td>
<td>European Economic Community</td>
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<tr>
<td>EFTA</td>
<td>European Free Trade Area</td>
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<tr>
<td>EMU</td>
<td>Economic and Monetary Union</td>
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<tr>
<td>EO</td>
<td>Executive Officer, Civil Service</td>
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<tr>
<td>EP</td>
<td>European Parliament</td>
</tr>
<tr>
<td>ESDP</td>
<td>European Security and Defence Policy</td>
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<tr>
<td>ESF</td>
<td>European Social Fund</td>
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<tr>
<td>ET&amp;E</td>
<td>Department of Enterprise, Trade and Employment</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>FEOGA</td>
<td>French for EAGGF, European Agriculture Guidance and Guarantee Fund</td>
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<tr>
<td>FF</td>
<td>Fianna Fáil</td>
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<tr>
<td>GAC</td>
<td>General Affairs Council</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>HEO</td>
<td>Higher Executive Officer, Civil Service</td>
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<tr>
<td>IEP</td>
<td>Irish Pound</td>
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<tr>
<td>IFSC</td>
<td>Irish Financial Services Centre</td>
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<tr>
<td>IGC</td>
<td>Intergovernmental Conference</td>
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<tr>
<td>JHA</td>
<td>Justice and Home Affairs</td>
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<tr>
<td>MSG</td>
<td>Ministers and Secretaries Group</td>
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<td>PD</td>
<td>Progressive Democrats</td>
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'The regulation of our domestic systems is being determined, even if only within set parameters by decisions taken in international fora. So it is in our interest to advance our views effectively, so as to avoid decisions which would be detrimental to our goals and to promote those that would advance our aims.'

Mr Bertie Ahern TD, address by the Taoiseach to the Institute of European Affairs, Dublin, 21 March, 2000
Introduction

Aim of the Blue Paper
Membership of the European Union imposes substantial and varied demands on the political and administrative systems of its participating member states. In the Union power is exercised by the member states acting collectively within an institutional and constitutional framework established by treaties and evolving custom and practice. The resurgence in formal integration since the mid-1980s characterised by a number of big projects – the single market, single currency, an aspiration to a Common Foreign and Security Policy (CFSP) which has become an aspiration to a European Security and Defence Policy (ESDP) and the intensification of Justice and Home Affairs (JHA) activities – has increased demands on EU governments. These states have had to adapt to the extension of political space to the Brussels level and to the internationalisation of significant areas of public policy. The member states submit to a system of collective governance and become embedded in a new architecture of statehood through a gradual process of Europeanisation. The gradual change in the exercise of sovereignty is hardly perceptible in the public domain but is very evident in the complex institutional interlinkages which member governments face on a daily basis. Changes in the dynamic of European integration must be seen against the backdrop of profound changes in Europe and internationally as a result of the collapse of communism and the Soviet Union. Since 1990, fifteen new states, many with serious problems, have been formed in Europe.

The aim of this research paper is to assess Ireland’s management of EU business in the light of changes in the Union and Ireland’s position in the European system. Is Ireland’s adaptation to the demands of participation in the EU effective or are changes needed in the way in which the Irish governmental system organises for Europe?
Structure of the Paper
The argument of the paper is developed in six chapters. Chapter one addresses changes in Ireland which affect its position in the EU and changes in the EU which affect Ireland. Chapter two documents the demands of the EU on national systems of public policy making. Chapter three analyses the way in which Irish central government is organised to meet the demands of the European system, particularly from the perspective of co-ordination and strategic direction. Chapter four briefly situates Ireland’s management of EU business in the context of how two other small states – the Netherlands and Finland – have responded to Brussels. Chapter five looks ahead with an assessment of the Irish system and its ability to manage Ireland’s future relationship with the system. Chapter six makes recommendations about Ireland’s management of EU affairs.

1 This research is part of a larger study on the ‘Europeanisation of public policy in Ireland’ that was part financed by the Social Science Research Council of the Royal Irish Academy. The research was carried out in 1998 and 1999. It involved over 40 semi-structured interviews with officials in seven departments. The pool of interviewees was drawn from different levels of seniority – Secretary General, Second Secretary, Assistant Secretary, Counsellors, and Principal Officers. A questionnaire was issued to all EU co-ordination units in the system based on the DFA’s circulation list. Jennifer Brown acted as research assistant on the project for the academic year 1998/1999.

2 This section does not aim to provide a detailed analysis of the systems in the two countries. Rather it is designed to highlight the characteristics of the Irish system and the manner in which the Irish approach is much less formalised. The two countries were chosen because both states have had relatively smooth relationships with the EU system.
Scanning a changing environment

The European Union is part of the global political economy – it is one of its major players. The dynamic of European integration involves a complex interplay between developments in the global system and in the member states. The warp and weave of integration evolves from the interaction of political, economic and social forces at the regional, national, European and international levels. The EU that Ireland joined in 1973 has expanded its geographical reach through enlargement and has experienced deep change in its political and economic structures. Since the mid-1980s the EU has become a much more salient arena for its member states, third countries and economic and social actors. The EU remains an unsettled system on four key dimensions – geographical reach, constitutional framework, institutional system and policy balance. The manner in which the EU evolves on all four dimensions is central to Ireland’s relationship with the EU system.

1.1 Changes in Ireland’s position in the European Union

From 1973 onwards, the main lines of Ireland’s European policy were consistent. Irish preferences revolved around creating a treaty and policy framework for a cohesion policy at EU level, maximising receipts from the EU budget under all headings, promotion of farm incomes by protecting the key principles of the Common Agricultural Policy and ensuring that EU policies in the regulatory field did not impose high costs on the Exchequer. While accepting the broad outline of the Union’s regulatory strategy in most fields, Irish policy makers argued against the imposition of rules that would impose a heavy burden on industry and services in Ireland. The need for job creation, the policies of the state agencies and the preferences of multinational companies loomed large in the calculations of the Irish negotiators. With regard to the Common Foreign and Security Policy, Irish negotiators attempted to limit the involvement of the Union in the security domain given the sensitivity of the issue in domestic politics, while at the same time being committed to foreign policy co-operation in the Union.
Of the three states (the United Kingdom, Ireland, Denmark) that joined the Union in 1973, Ireland had the smoothest political transition to membership. An overwhelming ‘yes’ vote in the 1972 referendum and the lack of serious conflict among Irish political parties on the question of Europe enabled the representatives of successive Irish governments and the public administration to promote Irish preferences in the EU system unfettered by political problems back home. Although there have been party political differences on particular European issues, there has been a broad consensus in Ireland on Europe and a relatively good fit between the Union’s policy regimes and Irish preferences. In addition, official Ireland had no difficulty in projecting a European identity for the Irish state and its people. The 1996 Government White Paper on Foreign Policy claimed that ‘Irish people increasingly see the European Union not simply as an organisation to which Ireland belongs, but as an integral part of our future. We see ourselves, increasingly as Europeans’. During successive presidencies, Irish governments attempted to portray Ireland as a small communautaire member state. Ireland found its niche in the EU system as a constructive member state. Irish representatives tended to distance themselves from the extreme attitudes and positions of the UK and appeared most comfortable if aligned with the emerging consensus in the Union. The desire not to create diplomatic waves with one’s partners comes across in a statement by the then Taoiseach Dr Garret Fitzgerald when he suggested that ‘Only when our case is so strong – so overwhelmingly strong – that in logic others should objectively accept it, should we press our interests in a way that can create problems for other people. We must avoid pinpricking our partners and thus losing the good will that we need on certain relatively few crucial occasions’. Although broadly communautaire, the Irish position has been, according to Máire Geoghegan-Quinn, the then Minister of

State for European Affairs, 'conditionally integrationist'.

Conditionality manifested itself in three broad areas of EU development. First, Ireland’s relative socio-economic position in the Union made the promotion of a re-distributive budget and later cohesion policy a central tenet of Ireland’s European policy. From 1973 onwards, successive Irish Governments argued trenchantly that the benefits of economic integration should be spread evenly and that political integration must be based on economic solidarity. Second, while being open to EU regulation, there was little support for excessive EU regulation, especially regulation that might impact on the Exchequer or employment. Third, Ireland’s non-membership of a military alliance had a major impact on preferences towards the evolution of the Common Foreign and Security Policy. Up to the early-1990s, Ireland’s profile in the EU was that of a small relatively peripheral member state, a major net beneficiary of the Union budget, protectionist on agriculture, an outlier on security and poor relative to the majority of member states in the Union.

During the 1980s, Ireland’s political adaptation to membership was not matched by an ability to pursue national economic policies that would enable the Irish economy to perform well in the highly competitive European market. In fact, the performance of its economy was by far the worst of the member states on all of the standard indicators. In the mid-1980s, there was a dip in Ireland’s EU effort as scarce public service resources and time had to be deployed to overcome the economic crisis. From 1987 onwards, economic and budgetary policies were put in place that created the conditions for unprecedented growth in the 1990s. Strict control of the public finances and an innovative system of social partnership transformed Ireland’s economic performance.

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Table 1: Ireland’s Economic Performance 1995-1998

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<tr>
<td>Economic Growth</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Volume GDP%</td>
<td>10.1</td>
<td>7.7</td>
<td>10.7</td>
<td>9.0</td>
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<tr>
<td>Economic Growth</td>
<td></td>
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<tr>
<td>Volume GNP%</td>
<td>7.3</td>
<td>7.2</td>
<td>6.9</td>
<td>8.1</td>
</tr>
<tr>
<td>Employment Growth</td>
<td>5.1%</td>
<td>3.9%</td>
<td>3.5%</td>
<td>4.8%</td>
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<tr>
<td>Debt/GDP ratio</td>
<td>81.5%</td>
<td>73.3%</td>
<td>59.9%</td>
<td>49.5%</td>
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Source: Department of Finance, Monthly Economic Bulletins, August 1996, August 1999

Box 1: Tough issues in Ireland’s relations with Europe in the 1990s

Beef regime: The beef tribunal, established by the Dáil in 1991, exposed serious weaknesses in the management of the beef intervention schemes in Ireland and in the export refund schemes. There were management weaknesses in the Department of Agriculture and Food and a lack of adequate information exchange between the DAF and the Department of Enterprise and Employment on the export refund scheme. The Commission took the conclusions of the beef tribunal into account when clearing Ireland’s FEOGA (European Agriculture Guidance and Guarantee Fund) accounts for 1990-91 and decided to recover payments amounting to IEP 50 million with respect to the years in question. The level of the ‘disallowance’ imposed on Ireland was hotly contested, albeit unsuccessfully, by the Irish authorities up to the level of the European Court of Justice.

State aids/taxation: In November 1996, the Commission changed its policy on Ireland’s corporate tax regime of 10% in response to concerns from some member states; it moved to a position where it considered the regime to be in effect a state aid and not a general measure, which implied that the regime would have to be phased out. In addition, the Commission reviewed the tax regimes in the IFSC and in the Shannon customs-free airport zone. The change in Commission policy led to lengthy and very difficult negotiations between its Competition Directorate and the Irish authorities. The negotiations were formally concluded with a Commission decision in July 1998 confirming its acceptance of the changes that would be made to the Irish regimes. The negotiations led to agreement that the 10% would be phased out and that Ireland would move to a rate of 12.5% corporation tax for all businesses. Agreement was reached on the phasing in of the new
regime from January 1, 2003. The regime is now fully compliant with state aid guidelines on tax incentives.

While negotiations were being conducted on the system of corporation tax, the Irish authorities ran into difficulties for the non-notification to the Commission of a number of urban renewal schemes including the Dublin Docklands designation and the non-airport enterprise zones. All of these required prior approval by the Commission as tax reliefs fall under the Union's state aid rule. The government was forced to introduce a number of amendments at the Committee Stage of the Urban Renewal Bill in June 1998 and had further lengthy negotiations with the Commission on all of these schemes.

The Irish authorities had to negotiate with the Commission on the implementation of the new Regional Aid Guidelines (RAGs) applicable to Ireland from 1 January 2000. Up to then all of the country could benefit from the maximum level of grant aid (40%) but from 2000 only those parts of the state that are eligible for Objective 1 status will continue to benefit from the maximum level. The remaining parts of the state will benefit from lower levels of grant aid depending on their income and employment statistics.

**Environmental policy**: Ireland is essentially a taker rather than a shaper of EU environmental policy. However, it has the distinction together with Spain of consistently opposing the inclusion of the 'polluter pays' principle in EU environmental directives and in directives dealing with the structural funds. Ireland has experienced sustained pressure on this issue in the Council from the other member states, from the Commission in relation to the structural funds and from the European Parliament (EP). Ireland also has a very poor record in implementing environmental directives.

The provisions of the Kyoto Protocol agreed in December 1997 will have major implications for environmental and economic policy in Ireland to 2012. At Kyoto, the EU agreed to make cuts of 8% in greenhouse gas emissions by 2012. Within the EU, a burden sharing agreement allows Ireland to increase its emissions by 13% by 2012 over 1990 levels. Given the high levels of economic growth since 1990, and future predicted growth, meeting this target will require major changes across the spectrum of public policies.

**Defence and security**: Ireland's non-membership of military alliances meant that it had a distinctive position to promote and protect in all EU discussions on security. The changing security landscape in Europe after 1989 led to changes in the security policies of all neutral states in Europe. Ireland did not keep pace with changes in the European environment and in the security policies of other states. Non-membership of Partnership for Peace (PfP), although a government decision has been taken to join, marks Ireland out from the other EU neutrals.
High levels of economic growth since 1993 altered Ireland's relative wealth position in the EU and improved its overall competitive position. Ireland experienced rapid convergence to per capita income levels in the EU (see Table 1). High growth was accompanied by low inflation and substantial job creation. In stark contrast to the 1980s, Ireland was one of the best performing EU economies in the 1990s. Ireland was transformed from a relatively poor state to a competitor for jobs and foreign direct investment. Ireland's strong economic performance coloured perceptions of Ireland in EU institutions and among the other member states. A number of tough issues in relations with Brussels began to emerge in the 1990s, notably, on the management in Ireland of the beef regime, state aids, corporation tax, and the degree to which Ireland should benefit from the EU budget (see Box 1 above).

The relocation of companies such as Boston Scientific, debated in the European Parliament, to Ireland from partner countries hardened attitudes towards Ireland in the other member states and led to pressure on the Commission to keep a watchful eye on Ireland's industrial and taxation policies. Ireland's position on European security, especially its non-membership of Partnership for Peace (PFP) until 2000, appeared increasingly anomalous as the other European neutrals reassessed their security policies more convincingly.

The desire to 'catch up' economically was a very strong motivator for Irish policy makers, but now that it has been broadly achieved, the policy direction is less clear—'where do we go from here?' is a question facing those who are responsible for positioning Ireland in the EU system. Among Irish officials interviewed for the study, there was a sense that the signposts or route map for Ireland's EU policy were less clear-cut than in the past. Uncertainty about Ireland's place in the EU system is also apparent among government ministers. In July 2000, the Tánaiste, Mary Harney, in an address to the American Bar Association endorsed a neo-liberal Europe and ended by saying 'I believe in a Europe of independent states, not a United States of Europe'. Notwithstanding this rhetorical statement, the key to the

minister's speech was her unease about the prospect of 'key economic decisions being taken at Brussels level' and the possibility that Ireland would be subject to excessive regulation. The July speech was followed by an opinion piece in the Irish Times in September 2000 in which she posed a number of questions about the prospect of a European government, a United States of Europe, and of all major social and economic decisions taken by qualified majority voting. Again the tone of the article was that of support for an enlarged and liberal Europe but rejection of excessive integration. In sum, the minister said, 'we believe the future of the EU lies not in a United States of Europe, but in a Union of independent sovereign states'. The latter statement is reminiscent of De Gaulle's 'L'Europe des patries' or Margaret Thatcher's celebrated Bruges speech in 1988. The Minister for Arts, Heritage, Gaeltacht and the Islands, Síle de Valera, in an address in Boston College in September 2000, adopted a eurosceptical tone. She made reference to the fact that 'directives and regulations agreed in Brussels can often seriously impinge on our identity, culture and traditions' without being specific about which directives and without offering any concrete evidence. She called for a more vigilant, questioning attitude towards the European Union and for more diligence in protecting Irish interests. While offering support for enlargement, both ministers adopted a defensive and narrow approach to the future of the EU and Ireland's place in that Union. Given the material, strategic and geo-political benefits that have flowed from the EU to Ireland since membership in 1973, the speeches lacked a vision of Ireland's future role and lacked solidarity with the candidate countries, states that see Ireland as a model of successful small state adaptation to political and economic integration. It is unclear if these statements reflect the policy of the Irish government rather than the views of two ministers. Neither speech would have been made in the era of substantial budgetary transfers from Brussels, nor even during the negotiations of the Agenda 2000 financial package in March 1999.

8 Ibid.
9 Ibid.
10 De Valera, S., Minister for the Arts, Heritage, Gaeltacht and the Islands, Address to Boston College, 18 September 2000.
1.2 Changes in the EU which affect Ireland
Deep change in the dynamic of integration is set to continue into the foreseeable future. Enlargement to the east and south will, like all enlargements in the past, trigger changes within the Union in terms of how the system operates and will disturb the internal bargains between the existing member states. For all states, including Ireland, there will be trade-offs between the desire to protect existing comparative advantage, both political and economic, and the need to accommodate the countries of Eastern and Central Europe (CEECs). Regardless of the accession treaties offered to the applicant states, once at the table they will deliberately work to shift the balance in their favour and to refashion the EU’s ‘rules of the game’. The impact of the next enlargements will be felt over time as states join on a phased basis. Six key changes can be anticipated. First, the EU will become a system that is continental rather than West European in scale. Enhanced scale and a wider geographical spread will alter the nature of the EU system and the dynamics of EU governance in a myriad of ways. Second, important issues about representation and influence in EU institutions and the management of diversity, a perennial feature of the EU, will have to be resolved. A larger number of states with more divergent interests will inevitably accentuate the tendency towards greater ‘variable geometry’ in the Union. Third, enlargement will increase the wealth gap in the EU between the richer and poorer member states. This will have consequences for the Union’s redistributive policies and for a host of related policies, including what is meant by a ‘level playing field’. Fourth, will the EU have the capacity to take EU-21 initiatives or will consolidation of the existing regimes predominate? Fifth, enlargement will put pressure on the Union to enhance its capacity to act effectively in the international system. Sixth, the accession of many more small states will alter the balance between large and small states in the Union. Although grouping states as large or small is of limited significance in the EU’s decision-making process, the balance between large and small states matters on such issues as appointment to leadership roles in EU institutions and in relation to weighted voting in Council. It also matters to that vexed question in the politics of integration, namely the desire by some large states to have the position of large states formally institutionalised
as a Directoire. Although small states have managed to prevent this, there is a danger that the Union may be governed by a de facto if not de jure Directoire as it expands eastwards. Over time, Poland could become part of a de facto Directoire of large states. In its accession negotiations, it has adopted a distinctly intergovernmental approach. The intensity of bilaterals among the larger member states, ad hoc contact groups in pillar two, and the appointment of large state nationals to major posts in the Union and globally, all point to a more difficult environment for small states.

The ramifications of the launch of the single currency in January 1999 will be felt in the system well into the future. During the 1990s, the EU had to leverage considerable political capital to ensure that the Treaty on European Union (TEU) would be implemented in line with the pre-determined timetable. Notwithstanding periodic turbulence in the currency markets and political dissension in a number of member states, eleven EU states participated in the Euro from the beginning. Having managed to find the capacity to launch the single currency, the participating states are now confronted with collectively managing the currency through the European Central Bank, the Euro 12 Council and the Council of Economic and Finance Ministers (ECOFIN) in the context of developments in the European economy and the relationship between the Euro and other international currencies. All participating economies are subject to increased supranational influences that further diminish national autonomy, and collectively the Euro states have to develop common understandings and policies for managing the interface with the international monetary system. As with all European projects, the framework established by treaty will be augmented by changes in other areas of economic and social policy as the consequences of the Euro are felt. With the achievement of the single currency, the EU has put in place the last significant building block in economic integration. Within the EU there is increased emphasis in economic governance through processes of benchmarking in relation to employment policy and policies that impact on competitiveness.

The EU is now turning its attention to building the political fabric of integration with the emphasis on Justice and Home Affairs and on the Common Foreign and Security Policy. The war in Kosovo
heightened the salience of the latter in a number of important respects. First, it altered the debate on security and defence within the Union. Second, it highlighted weaknesses in Europe's defence capabilities and its continuing dependence on the security anchor provided by the US. Third, it has major implications for the pace and scope of the next phase of enlargement. Fourth, it underlined the EU's responsibility for bearing the budgetary costs of reconstruction and for developing a comprehensive strategy for the Balkans. Kosovo has moved security and defence policy centre stage and has generated a renewed debate on Europe's security architecture, particularly on the future of the Western European Union (WEU) and its possible incorporation into the EU. The Helsinki European Council in December 1999 agreed considerable progress in the development of what is known as the European Security and Defence Policy (ESDP). The member states are committed to the creation of a military force of 15 brigades by 2003.

The process of treaty based constitutional change in the Union is set to continue. Since the mid-1980s, the member states have signed and ratified three major treaties – the Single European Act (1987), the Treaty on European Union (1993) and the Treaty of Amsterdam (1999). The Treaty of Amsterdam contained provisions for another Intergovernmental Conference (IGC) which opened on 14 February 2000 and was concluded at Nice in December 2000. The Nice Treaty which is now being ratified by the member states, contains provisions for another IGC in 2004. The objective of the Nice IGC was to prepare for the enlargement of the Union to 27 or 28 states. The treaty altered the system of weighted voting in Council and extended the use of qualified majority voting, but not to taxation. The provision on the composition of the Commission means that once the Union reaches 27 states, all states will not automatically have a Commissioner.\textsuperscript{11} Apart from the continuing debate on treaty reform, there is a wider debate on the future political architecture of the European Union and growing calls for a European constitution.

This short synopsis of the forces shaping the European Union suggests that the dynamic of change which is characteristic of this

\textsuperscript{11} See relevant website: Nice_treaty_en.pdf@europa.eu.int
phase of integration is set to continue. The Union is moving beyond economic integration, although this remains a cornerstone of the integration project and the glue for further development. The unsettled constitutional character of the Union and the question of human rights have assumed an important place on the EU agenda. Political Europe is emerging as a complement to economic Europe. The Union has to grapple with its international role, particularly in relation to European stability. Enlargement, a permanent feature of the dynamic of integration, is set to trigger additional political and institutional changes in the Union which will in turn alter the Union’s governance structures.
garnered by experience of the Union’s policy process in all of its complexities. The formal system of policy making is augmented by considerable backroom dealing, arbitrage and informal politics. Political, academic, sectoral and personal networks are exploited to the full as part of this process. With more member states, a widening co-operative agenda and the advance of communications technology, there is discernible increase in horizontal bilateral interaction among the member states at all levels – prime-ministerial, ministerial, senior official and desk official. Specialists are forging and maintaining links with their counterparts in the other member states on a continuous basis. Deliberations are no longer left primarily to meetings at working party level in Brussels. Sophisticated networking is part and parcel of the Brussels game.

Institutions play a central role in the dynamic of integration. In fact, one of the most significant characteristics of the EU model of integration is the creation of new institutions at EU level and the embedding of national institutions within the EU framework. Since its inception, the EU has displayed an ability to engage in institutional innovation and procedural change. The institutionalisation of summit meetings among the heads of government in 1975, as the European Council, brought the most senior actors in national government into the heart of the EU system. Since then, the European Council has played a pivotal role in setting the EU agenda, in mapping out the timescale for developments and in giving the EU strategic direction with regard to major strategic initiatives such as the single market and the single currency. The conclusions of the European Council chart the dynamic of the system. At a more technical level, the Conclusions of the Helsinki European Council in December 1999 on the European Security and Defence Policy (ESDP) made provision for a number of important institutional reforms, notably the establishment in Brussels of a standing Political and Security Committee (PSC) involving members with full ambassadorial rank and a Military Committee. Both these structures were in place by June 2000 as interim bodies.

2.2 The Union’s policy process
The sequential stages of the Union’s policy process impose different demands on central government at national level. See Figure 1 below.
Figure 1: The Union’s policy process

<table>
<thead>
<tr>
<th>The policy process</th>
<th>Commission phase</th>
<th>Council/EP phase</th>
<th>Implementation phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting of proposals</td>
<td>Working Group</td>
<td>Coreper I &amp; II</td>
<td>Council</td>
</tr>
<tr>
<td>EP Committee</td>
<td>EP Plenary</td>
<td>Transposition</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Enforcement</td>
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<td></td>
<td></td>
<td>Notification</td>
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</tbody>
</table>

The *pre-negotiating phase* of the Union’s policy process is very important as agenda setting and the drafting of the initial proposals has a crucial bearing on the subsequent outcome. By the time the Commission has formally submitted a proposal to the Council and the European Parliament, ‘scope for changing the proposal exists only at the margins, involving about 20 per cent of the total proposal’.\(^\text{12}\) This phase of the policy process is regarded as particularly important to small member states as their influence is limited in the Council.\(^\text{13}\) Thus it is very surprising that Ireland, through its public sector networks, rarely seeks to influence Commission proposals prior to their approval by the executive. When planning new proposals in a particular area, the Commission sometimes issues questionnaires to the responsible national authorities to get an overview of national practice and law. For the member states, these questionnaires are an input into the policy process, because it enables them to flag national practice and preferences in a particular field. If the Commission is drafting changes to existing laws or programmes, it engages in extensive evaluation of the experiences gained in earlier programmes. The evaluations feed directly into the policy process. In the pre-negotiating phase, national officials and non-governmental actors have the opportunity to participate.


in Commission expert and advisory groups. Each Commission Directorate has its own committees to advise it on policy developments. The Commission uses these committees to assess the preferences of the member states and to gain from the experience/expertise of the participants. Because the Commission seeks to establish the widest possible consensus before sending a proposal to the Commission, it is open to influence at this stage of the policy process. When participating in pre-negotiations, national officials are there in an individual capacity and are not instructed officials. That said, their knowledge of national preferences enables them to steer the Commission in a particular direction or at least to ensure that very unpalatable items are purged before the proposals go to the Council.

The decision making phase involves negotiations in the Council system and between the Council and EP depending on the decision procedure being used. The Council phase of the policy process involves negotiations between officials in Council working groups, between the ambassadors or deputy ambassadors in the Committee of Permanent Representatives known as COREPER and between ministers in Council.\(^4\) For the member states, negotiations in Council are a major focus as it is in this arena that the member states hammer out agreement within the decision rules and the institutional powers laid down by the treaties. The ethos of Council negotiations is to search for the highest level of agreement and consensus on all important policy decisions. Although the processing of dossiers differs across the pillars and within pillar one, depending on the Council committee structure, the Council has three distinct phases for each set of negotiations. The council working parties form the operating core of the first phase because it is here that Commission texts are analysed line by line, refined and amended in the light of debate. An Internal Council Document dated July 2000, lists 190 preparatory committees and working parties under the auspices of the Council. This figure includes a large number of working parties that are divided into sub-groups. There are 57 working parties under the auspices of the General Affairs

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14 COREPER meets in two formations. COREPER I comprises the deputy permanent representatives and COREPER II the Senior Ambassadors. COREPER I and II service the different Council formations.
Council, 37 for Agriculture, 26 in the area of Justice and Home Affairs and 13 in the Internal Market area. Council working parties are serviced either by officials from the Permanent Representation of Ireland to the EU or by officials from Dublin. On occasions, an Irish delegation will consist of representatives of both. The objective of the council working party is to deal with the technical content of the proposals in the first instance. Each text is the subject of several readings as the member states indicate their agreement or reservations. Gradually, reservations are removed as negotiations progress and a better understanding of the issues is reached. Member state representatives in the Council are predisposed to reaching agreement and to finding solutions to difficult problems. The EU system of negotiations is oriented towards producing agreement. The country holding the presidency chairs the meetings and together with the Commission is responsible for crafting solutions to the problems identified in the text. There is ample room for meetings at the margin, informal dealing and coalition building. Strong personal relationships build up between officials from the different member states as they work collectively to arrive at a solution that they can sell to their more senior colleagues and eventually to their political masters. The Council Secretariat plays a critical role in the management of Council business and helps broker compromise texts. It issues the agenda of meetings, the main documents including presidency proposals, and circulates Council reports of meetings. Whereas Commission documentation is the key at the early stage of Council deliberations, documentation issued by the Council Secretariat provides the raw material for Council/sub-council meetings as a dossier moves up the hierarchy. Council reports include detailed accounts of member state positions on each article of a proposal that help to identify the margin for agreement.

When a dossier is ready for the next level it is sent to either COREPER I, COREPER II or one of the other high level groups, depending on the policy field. In addition to COREPER, there are a number of other high level groups such as the Special Agricultural Committee, the Article 133 Committee, the Economic and Financial Committee, the Employment Committee and the Political Committee.

15 Council of Ministers, Internal Council Memorandum, 9872/00, 5 July 2000
that review the work of their related working groups before a dossier goes to Council. The work of some of these committees formally goes to COREPER before going to Council but the substantive work is carried out in the specialised committee. COREPER meets at least once a week and may have up to thirty items on the agenda. At this juncture, the work of several working parties is reviewed in advance of Council meetings and package deals shaped for political decision. The permanent representatives are high-ranking experienced diplomats at ambassadorial level who are responsible for the national Permanent Representations in Brussels. At COREPER many of the outstanding technical issues are settled and the more problematic political issues identified. Judgements are made about the political difficulty of the outstanding issues left in any proposal and about the potential for agreement at the Council level. COREPER often send proposals back to the Council working parties for further technical work. The primary work of COREPER and the Permanent Representations in Brussels is to prepare for Council meetings. They prepare the way for Council agreement and identify the emerging solutions for their political masters in the national capitals. The members of COREPER are all professional negotiators, well versed in the art of ‘wheeling and dealing’, and adroit at forming package deals. They have considerable influence in the EU system as they are at the juncture between the national and the European. The ambassadors have a critical role in identifying for the national capital the likely zone of compromise for the conclusion of the negotiations.

The Council meets in different formations that convene with varied intensity. Some ministers have one or two Council meetings each month, others may have only two each year. With the expansion of the Union’s policy competence, the number of Council formations had grown to twenty-two/twenty-three. In December 1999, the Conclusions of the Helsinki European Council specified that the number of Council formations should be reduced in order to improve the consistency and coherence of the Council’s work. Agreement has been reached that the number should be reduced to sixteen albeit with provision for a review in July 2001. Ireland accepted the reduction in the number of Council formations but did enter a formal statement in the minutes to the effect that it favours a Competitiveness Council.
See Table 2 below for a list of the new Council formations.

**Table 2: Council formations**

<table>
<thead>
<tr>
<th>Department/Agency</th>
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</thead>
<tbody>
<tr>
<td>General Affairs-Foreign Ministers (Department of Foreign Affairs)</td>
</tr>
<tr>
<td>Agriculture (Department of Agriculture, Food and Rural Development)</td>
</tr>
<tr>
<td>Economic and Financial Affairs (Department of Finance)</td>
</tr>
<tr>
<td>Environment (Department of the Environment)</td>
</tr>
<tr>
<td>Transport and Telecommunications (Department of Public Enterprise)</td>
</tr>
<tr>
<td>Employment and Social Policy (Department of Enterprise, Trade and Employment)</td>
</tr>
<tr>
<td>Fisheries (Department of the Marine)</td>
</tr>
<tr>
<td>Industry and Energy (Department of Enterprise, Trade and Employment, Department of Public Enterprise)</td>
</tr>
<tr>
<td>Justice, Home Affairs and Civil Protection (Department of Justice, Equality and Law Reform)</td>
</tr>
<tr>
<td>Internal Market, Consumer Affairs and Tourism (E,T and E, Department of Tourism)</td>
</tr>
<tr>
<td>Research (Department of Enterprise, Trade and Employment)</td>
</tr>
<tr>
<td>Budget (Department of Finance)</td>
</tr>
<tr>
<td>Culture (Department of Arts, Heritage, Gaeltacht and the Islands)</td>
</tr>
<tr>
<td>Development (Department of Foreign Affairs)</td>
</tr>
<tr>
<td>Education and Youth Affairs (Department of Education)</td>
</tr>
<tr>
<td>Health (Department of Health)</td>
</tr>
</tbody>
</table>

Many Council formations have informal meetings in the country holding the Presidency which are used as stocktaking exercises and for discussion of major policy developments. Although no decisions are taken these informal events play an important role in allowing the ministers to get to know each other and in providing space for general discussions about the direction of policy. Informal meetings are an essential part of the dynamic of EU negotiations. The Council itself deals with no more than six or seven issues, albeit the most salient, relating to any dossier. Council agendas are divided between A and B points. A points have been agreed and are merely rubber stamped by the ministers whereas B points are the subject of intensive negotiations. At Council, the national minister is flanked by a large delegation, often including the secretary general of the home department, other senior home based officials and the permanent or deputy permanent
representative. The minister will have had detailed written briefs, speaking notes and will receive advice from officials on a continuous basis during the meeting. It is not uncommon for the Council to move into restricted session – meaning that each delegation is restricted to two or three people – in an effort to get agreement, so that it is important that ministers are *au fait* with their briefs and can react to an evolving agenda. Servicing the Council is a major task for all of the member governments. They must do the homework on each dossier and must participate in the work of Council at all levels.

The growing role of the EP has brought it into the heart of the Union’s negotiating process in certain policy areas. Its role remains restricted in relation to the Common Agricultural Policy and in relation to new policy fields such as Justice and Home Affairs, the Common Foreign and Security Policy and Economic and Monetary Union. However, its policy role has increased in most other areas as a result of the introduction of the Co-operation Procedure in the Single Act and the Co-decision Procedure in the Treaty on European Union (TEU). Co-decision transforms the EP into a partner of the Council in many policy fields. The deliberations of its committees and the decisions of its plenary are now closely monitored by the member states and the other EU institutions. Instead of being in a position to reach definitive decisions, the Council reaches ‘common positions’ that must subsequently be amended by negotiation with the EP in what is known as the ‘conciliation’ procedure. From a position at the margins of the policy process, the EP has become a key player. Its influence was enhanced in the aftermath of its role in forcing the resignation of the Commission in March 1999. Given the increasing role of the European Parliament, the work of its committees and the outcome of its votes in plenary must be tracked by national officials, in addition to the formal processes of conciliation between the EP and the Council.

The *implementation phase* of the policy process places yet further demands on the member states. In a number of policy fields, the Council has delegated responsibility for implementation to the Commission which works with the assistance of ‘comitology committees’ consisting of national officials. The Union establishes the broad framework for the operation of national policy in many areas, notably in relation to the national budget, is a source of rules and a
source of additional public finance through the budget. Laws once passed in Brussels must be transposed into national law and must be enforced by national authorities. Even when member states fail to transpose directives, the Court of Justice has found that they have direct effect at national level. There are considerable differences in the capacity of different member states to implement Community law on time and within the terms of the directives. The Commission, as guardian of the Treaties, has adopted a much more proactive approach to overseeing national implementation and enforcement. The Irish record of implementation is varied. Up to the mid-1980s, Ireland had a relatively good record.\textsuperscript{16} The sheer weight of the legislative programme associated with the completion of the internal market put enormous pressure on the Irish system with the result that the Irish record disimproved. In autumn 1998, Ireland had the largest number of internal market directives outstanding, apart from Luxembourg. The issue was raised in the Dáil in December 1998 by the leaders of the opposition, John Bruton and Ruari Quinn. The former made the following intervention:

However, that Ireland, the greatest single net beneficiary from Europe in per capita terms, should have the second worst record in terms of implementing EU directives, is a gratuitous invitation to get ourselves kicked.

The last thing we need when trying to defend our position on taxation or the common agricultural policy is to be criticised for not implementing the directives to create the Single Market. We do not need to expose ourselves in that manner.\textsuperscript{17}

In an effort to put pressure on the member states, the Commission regularly publishes ‘sinners lists’ that identify the comparative performance of the member states with respect to implementation. See Table 3. Although the Irish performance improved in 1999, the Commission’s July 1999 report shows that Ireland had not implemented

\textsuperscript{17} See http://www.irlgov.ie/debates-98/17 dec98/sect3.htm.
a significant number of single market directives. These included 10 directives in the area of transport, 4 in relation to intellectual and industrial property, 12 concerning veterinary checks, 6 in the environmental field and 5 in the area of food legislation.\(^{18}\) Ireland has the worst record in the field of intellectual and industrial property, a striking gap given the economy’s dependence on foreign investment and had the second worst record concerning food legislation, again surprising given the importance of the food industry to Ireland.

**Table 3: Ireland’s implementation of EC law 1990/1997**

<table>
<thead>
<tr>
<th>Year</th>
<th>Directives applicable total</th>
<th>Directives for which measures have been notified by Ireland</th>
<th>Percentage</th>
<th>Number of countries with higher rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>862</td>
<td>787</td>
<td>91.2</td>
<td>7</td>
</tr>
<tr>
<td>1991</td>
<td>822</td>
<td>721</td>
<td>88.6</td>
<td>7</td>
</tr>
<tr>
<td>1992</td>
<td>Mar</td>
<td>822</td>
<td>766</td>
<td>93</td>
</tr>
<tr>
<td>1992</td>
<td></td>
<td>991</td>
<td>91.1</td>
<td>4</td>
</tr>
<tr>
<td>1993</td>
<td>1288</td>
<td>1019</td>
<td>91.9</td>
<td>10</td>
</tr>
<tr>
<td>1994</td>
<td>1213</td>
<td>1115</td>
<td>91.9</td>
<td>5</td>
</tr>
<tr>
<td>1995</td>
<td>1265</td>
<td>1174</td>
<td>92.8</td>
<td>7</td>
</tr>
<tr>
<td>1997</td>
<td>1374</td>
<td>1293</td>
<td>94.1</td>
<td>10</td>
</tr>
</tbody>
</table>


The EU demands more than the transposition of EU Laws. EU rules with regard to such areas as state aids, competition or technical standards, stipulate that national measures must be notified to Brussels and the prior agreement of the Commission received. The non-notification of a number of fiscal incentives to Brussels led to protracted and difficult negotiations with the Commission in 1998/99 (see Box 1 in the previous chapter). Under the terms of the Stability and Growth Pact and the Employment Pact member states are obliged to submit plans to Brussels that are then reviewed in a formal process by the Council. The operation of the structural funds requires the development of integrated plans for each region in receipt of Brussels

money, the establishment of monitoring committees including Commission personnel, and procedures for reporting, evaluation and financial management. All EU programmes have in-built reporting and review mechanisms. They work on the basis of evaluation reports and benchmarking mechanisms. The EU has become a more important source of external constraint and ‘thou shall not’ dictate since the mid-1980s. The regulatory reach of the Union has expanded and its coercive capacity is enhanced through court judgements and treaty change. The EU system has become more compelling in the post-decision phase of the policy process. The Commission can now propose fines against a member state for non-enforcement of court judgements. The basic fine is 500 Euro per day, which can be increased depending on the gravity of non-compliance and the GDP of the member states in question. In addition, a number of ECJ rulings have underlined the fact that a member state is libel for non-implementation of EC law and will have to compensate those adversely affected.

The EU is thus a more salient institution for the member states in this phase of integration than in the past because of the importance of the big projects, the growing supranational influences on national policies, the ‘peer review’ mechanisms which are more commonplace in many policy areas, the teeth of the Union’s legal system and the international demands on the Union. The unsettled nature of the EU, with its incremental and gradual impact on the member states, leads to a pattern of incremental adaptation in the member states. There is no great incentive in the system to ask at any one time if there is sufficient organisational capacity to pursue national objectives in the EU arena? Individual departments/ministries may pose these questions from time to time in line with other review processes or in response to perceived policy or managerial failure, but the EU tends not to confront its member states with a ‘critical juncture’ which might lead to a questioning of its capacity for managing EU business.19

19 The term ‘critical juncture’ is used in the new institutionalist literature to connote periods of institutional change. Bulmer and Burch in their work on the adaptation of Whitehall to the demands of EU membership use the term ‘critical moment’ as a time when there is an opportunity for significant change (Bulmer and Burch, 1998, p.605). The argument in this paper is that Ireland has reached a ‘critical moment’ in its relations with the EU.
One could argue, however, that this is an apposite time to pose this question in relation to Ireland given that its position in the EU is shifting from that of a poor peripheral member state to a competitor for investment and jobs. Moreover, the nature of the EU system itself is changing and will change as a result of the forthcoming enlargement. Most Irish officials interviewed for this study have experienced a discernible shift in the perceptions of Commission officials and officials from the other member states of Ireland. This manifests itself in bilateral dealings with the Commission, in relations with the other member states and in Council negotiations. The new sentiment is illustrated by the comment of a non-Irish official in the Commission who said that in the present climate there will be ‘very close scrutiny of the Irish file’ or the view of an Irish official who said that it is more difficult to get ‘sweeteners’ in negotiations.\textsuperscript{20} In the Dáil, the leader of the Labour party, Deputy Quinn argued that:

the European Council in Vienna was the first occasion on which it was apparent that Ireland’s status as a favourite younger child or struggling participating member state, which was used by successive governments to secure concessions, was at an end. We are no longer looked upon in a benign way. If one reads the popular press in a number of member states and listens to debates in the European Union, it is apparent that Ireland is no longer seen as a good player entitled to receive a little extra, as happened in Edinburgh when we received the largest per capita increase in Structural Funds, notwithstanding the fact that we are not the poorest member state.\textsuperscript{21}

In the context of this shift, the capacity and effectiveness of Ireland’s organisational response to the Union is analysed, using the lens of co-ordination and strategic direction, as a means of analysing Ireland’s style of managing the interface with Brussels.

\textsuperscript{20} In an interview conducted for the purposes of this research at the Department of Enterprise, Trade and Employment.

Managing relations with Brussels

All member states have put in place structures and processes for managing the interface between the national policy process and the Brussels arena.\textsuperscript{22} The structures encompass the departments, committees and networks that establish the division of labour on EU business across the governmental system. The processes include both the rules and guidelines about who should do what and the underlying political and administrative culture that shapes how European business is handled.\textsuperscript{23} The Irish system, in practice, to a considerable extent, is governed by the principle of the 'lead department' which means that line departments take responsibility for EU business that falls within their remit. Lead departments are allowed to get on with their business in a rather unfettered manner unless there are cross-cutting horizontal issues or big package deals that require inter-departmental co-ordination. Each department has established structures and processes for managing intra-departmental and inter-departmental linkages on EU business. The principle of lead-department is accepted in all EU member states but the degree of autonomy given to individual departments and the ambition to co-ordinate EU business differs considerably from member state to member state.

National policy styles differ in terms of the ambition to co-ordinate and manage the interaction with Brussels. Two models predominate -- containment and internalisation. The containment model attempts to

\textsuperscript{22} There is a growing body of research on the Europeanisation of public policy and institutions in the member states as a consequence of the dynamic of integration.

adopt a gatekeeper role in relation to interaction with Brussels. This style involves horizontal management of such issues as the appropriate legal basis, inter-institutional relations, comitology committees and so on. The national systems have a centralised focal point that places a premium on control. The archetype states that fall into this category are the United Kingdom, France and Denmark. Both the UK and France have set up central administrative units under the auspices of the prime minister to manage European policy. A model of internalisation, characterised by the dominance of the lead department, little formal tracking of interactions with Brussels and less formal/bureaucratic systems of co-ordination is the second approach. Germany, Ireland, the Netherlands and Luxembourg fall into this category. Containment or internationalisation should be seen as constituting a continuum, along which the member states can be situated. None of the member states can completely control and contain the process of Europeanisation, and no state is willing to open the flood-gates to Europeanisation without attempting to mediate between the national and European systems. This leads them to establish structures and processes for the articulation and co-ordination of policy vis-a-vis Brussels.

Co-ordination or the management of cross-cutting issues, to use the Strategic Management Initiative (SMI) terminology, is very problematic for any system of public policy making. Weaknesses have been identified in the capacity of the Irish system to manage cross-departmental issues. Co-ordination encompasses a variety of different processes such as positive and negative co-ordination, formal and informal co-ordination, vertical and horizontal co-ordination, strategic policy making or simply the avoidance of disasters. Co-ordination at national level is seen by scholars and practitioners alike as important

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to effective participation in the Brussels system. For example, a Swedish
report on the internationalisation of government argued that 'Sweden's
chances of successfully pursuing issues internationally are to a great
extent dependent on its ability to act in a co-ordinated and consistent
way. The ministries and authorities are today keenly aware of the need
for co-ordinated action'. A report on the Dutch system of EU
co-ordination, by a group of secretaries' general, cited the need for
the management of horizontal and vertical interdependence, close
coop-eration between those working on national and European
policies, 'speaking with one voice' and 'getting in early', ensuring
consistency, exchanging information and working within defined
priorities and accepted policy principles. This view of co-ordination
is an ambitious and demanding one with its focus on coherence,
consistency, clear priorities and the management of interdependence.
It implies that a strategy exists. There is, however, a gap in all member
states, larger in some than in others, between the ambition to co-
ordinate and be strategic and the realities of the policy process and
national co-ordinating capacity.

In order to analyse the Irish system and its approach to co-ordination,
it is useful to use an amended version of a Guttman scale developed
by Metcalfe which desegregated inter-ministerial co-ordination into
a number of discrete steps. See Figure 2.

Figure 2: Amended version of the Guttman Scale

<table>
<thead>
<tr>
<th>5. Establishment of priorities/formulating strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Arbitration of differences</td>
</tr>
<tr>
<td>3. The search for agreement among ministries</td>
</tr>
<tr>
<td>2. Avoidance of divergence</td>
</tr>
<tr>
<td>1. Exchanging information and consultation</td>
</tr>
</tbody>
</table>

Relations: The Europeanization of an Economic Affairs Ministry, Maastricht:
European Institute of Public Administration. Metcalfe L., 1987, Comparing
Policy Co-ordination Systems: Do the Differences Matter? Fifth Erenstein
Colloquium, October 1987.
26 Sweden, 1993, Statsförvaltningens internationalisering: En Vitbok om
Konselvenser for den Statliga Sektron i Sverige, Stockholm: 1993:44. p.74
(1) **Exchanging information and consultation:** At the lowest level of co-ordination we would expect to find exchanges of information and consultation, whereby departments would inform other departments of what they are doing, particularly of developments that might be of interest to them in the longer term. We would expect to find established *pathways* for the circulation of information/official communications from the EU to the national level and vice versa. Consultation would be required if another department had expertise or an interest in a particular issue. The focus here is on keeping others informed.

(2) **Avoidance of divergence:** National officials and politicians tend not to want national conflicts to emerge in EU negotiations as this could then be exploited by others or at minimum would make it difficult for others to read the national position. The EU system puts pressure on national governments to ‘sing from the same hymn sheet’ and to ‘speak with one voice’. The avoidance of inconsistent positions is a form of negative co-ordination.

(3) **The Search for Agreement:** The next level in the co-ordination chain involves an interdepartmental search for agreement so that they pursue complementary rather than contradictory policies. This is a form of horizontal co-ordination.

(4) **Arbitration of differences:** In some cases, interdepartmental differences cannot be solved by the informal bottom-up processes of mutual adjustment and thus involves the intervention of higher levels of the hierarchy to resolve conflicts.

(5) **The establishment of priorities and formulating strategies:** This is the highest level of co-ordination relating to the broad framework within which a member state operates in the EU. This level provides the strategic framework for individual departments in their interaction with Brussels and requires a capacity to analyse the fundamental issues relating to the evolution of integration and not just the ‘nuts and bolts’ of particular negotiations.

The scale represents a series of steps that become more demanding in terms of organisational resources as the ambition to co-ordinate moves up the scale. Co-ordination is achieved through a variety of processes such as informal mutual adjustment, committees, task forces, teams, managerial linking roles, reporting systems and
guidelines. Not all issues on the EU agenda demand the highest levels of co-ordination, and heavy handed co-ordination at national level may militate against effectiveness in the Brussels arena. The challenge for all states is to find an effective balance between sectoral autonomy and overall strategy/prioritisation. Metcalfe warns against the dangers of too much control:

Since co-ordination among departments is difficult and costly in terms of the investment of managerial skills and staff resources involved, it should be kept to the minimum necessary. Co-ordination for the sake of co-ordination is wasteful. Indiscriminate co-ordination is liable to lead to excessive centralisation, duplication and delay, as well as undermining managerial responsibility at departmental level.

The need for co-ordination depends on the nature of the issue on the Brussels agenda and where a dossier is in the policy process (see chapter 2). A threefold distinction between routine, sectoral policy making, major policy shaping decisions, and the history making or big bargains, is apposite. Departments can handle the routine business of dealing with Brussels in clearly defined sectoral areas without engaging in too much interdepartmental co-ordination although consultation is required to ensure that all interested departments are kept informed of issues that might affect their areas of responsibility at a later stage. Major policy shaping decisions and the big package deals require processes that go beyond consultation; they require processes for establishing preferences and goals, ensuring consistency and working out the alliances and lobbying strategies that should be fostered in order to contribute effectively to the negotiated outcome. Apart from the big bargains, many areas of EU policy such as environmental policy or state aids cross departmental boundaries, and trade-offs may be needed between differing demands emanating from different social forces. Managing the flow of EU policy is not just about arguing a series of separate policy preferences in Brussels. It

involves taking account of the linkages and priorities among the different fields. Most EU policies have a direct impact on national policies that may need to be adjusted so that they complement EU policy and the many constraints established by EU law must be observed. Moreover, the EU is an unsettled and dynamic system that requires close monitoring and assessment. Formal and informal changes in working practices or institutional rules must be tracked so that the domestic system adjusts to the changing ‘rules of the game’.

Table 4: Ministerial involvement in the Council of Ministers

<table>
<thead>
<tr>
<th>Council</th>
<th>Irish Minister/Department</th>
<th>Council Meetings in 1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Affairs</td>
<td>Foreign Affairs</td>
<td>16</td>
</tr>
<tr>
<td>Agriculture</td>
<td>Agriculture and Food</td>
<td>11</td>
</tr>
<tr>
<td>ECOFIN</td>
<td>Finance</td>
<td>11</td>
</tr>
<tr>
<td>Budget</td>
<td>Finance</td>
<td>2</td>
</tr>
<tr>
<td>Internal Market</td>
<td>Enterprise, Trade and Employment</td>
<td>3</td>
</tr>
<tr>
<td>Environment</td>
<td>Environment</td>
<td>4</td>
</tr>
<tr>
<td>Research</td>
<td>Enterprise, Trade, and Employment</td>
<td>4</td>
</tr>
<tr>
<td>Industry</td>
<td>Enterprise, Trade and Employment</td>
<td>4</td>
</tr>
<tr>
<td>Transport</td>
<td>Transport, Energy and Communications</td>
<td>4</td>
</tr>
<tr>
<td>Development</td>
<td>Foreign Affairs</td>
<td>2</td>
</tr>
<tr>
<td>Social Affairs</td>
<td>Enterprise, Trade and Employment</td>
<td>4</td>
</tr>
<tr>
<td>Social Welfare</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fisheries</td>
<td>The Marine</td>
<td>2</td>
</tr>
<tr>
<td>Energy</td>
<td>Transport, Energy and Communications</td>
<td>2</td>
</tr>
<tr>
<td>Education</td>
<td>Education</td>
<td>2</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>Transport, Energy and Communications</td>
<td>2</td>
</tr>
<tr>
<td>Consumer Affairs</td>
<td>Enterprise, Trade and Employment</td>
<td>2</td>
</tr>
<tr>
<td>Health</td>
<td>Health</td>
<td>3</td>
</tr>
<tr>
<td>Culture</td>
<td>Arts, Culture and the Gaeltacht</td>
<td>2</td>
</tr>
<tr>
<td>Justice and Home Affairs</td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>

3.1 The Irish system

Although all departments in Ireland have some European business, the extent of interaction with Brussels is governed by the degree of Europeanisation found in their respective policy domains. For many departments, notably Health and Children, Education and Science, and Social, Community and Family Affairs, the national remains the primary arena, whereas for others such as Agriculture, Food and Rural Development, Finance and Enterprise, Trade and Employment, EU policies are central to what they do. The salience of the EU in the particular policy area determines the response of the individual departments. The rhythm of Council meetings is a useful indicator of the European demands on domestic ministries in Dublin (see Table 4 above).

Figure 3: Departmental involvement in EU business

<table>
<thead>
<tr>
<th>Overarching Ministries</th>
<th>Multisectoral Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taoiseach</td>
<td>Enterprise, Trade and Employment</td>
</tr>
<tr>
<td>Foreign Affairs</td>
<td>Public Enterprise</td>
</tr>
<tr>
<td>Finance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>Revenue Commissioners</td>
</tr>
<tr>
<td></td>
<td>Attorney General’s Office</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sectoral with one distinct policy area</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Food and Rural Development</td>
<td></td>
</tr>
<tr>
<td>Environment and Local Government</td>
<td></td>
</tr>
<tr>
<td>Justice, Equality and Law Reform</td>
<td></td>
</tr>
<tr>
<td>Health and Children</td>
<td></td>
</tr>
<tr>
<td>Social, Community and Family Affairs</td>
<td></td>
</tr>
<tr>
<td>Education and Science</td>
<td></td>
</tr>
<tr>
<td>Marine</td>
<td></td>
</tr>
<tr>
<td>Arts, Heritage, Gaeltacht and the Islands</td>
<td></td>
</tr>
</tbody>
</table>

31 The material that forms the basis of this analysis was garnered from detailed analysis of documentary evidence and forty-seven structured interviews with those involved in managing Ireland’s EU affairs. The pool of interviewees included civil servants drawn from the key departments and at different levels in the system.
The Irish system can be characterised as involving a high degree of delegation to the sections within the ministries. There is extensive internalisation with individual officials responsible for the national and European dimensions of their policy areas. This however is accompanied by horizontal structures for co-ordination across the system – see Figure 3 above.

3.2 The holy trinity

*Foreign Affairs, Finance and the Taoiseach’s Department*

The core of Ireland’s macro-management of EU affairs lies in three departments – the Departments of the Taoiseach, Foreign Affairs and Finance, respectively. These departments were identified in the course of interviews as the ‘holy trinity’ of EU business. The three departments have a major role in integrating Ireland’s European policy, are involved in all of the key decisions and negotiations and are responsible for the functioning of the system as a whole. In 1973, the Department of Foreign Affairs was formally given responsibility for co-ordinating Ireland’s relations with the EU by a government decision. Prior to membership, and particularly prior to the opening of accession negotiations, Finance was the lead department on EU matters.

*Foreign Affairs*

Membership of the EU in 1973 had a major impact on the Department of Foreign Affairs and was instrumental in promoting the modernisation of the Irish Foreign Service.32 According to one interviewee, ‘There is no division in the department untouched by the EU. Irish foreign policy and priorities are mediated by the EU’.33 It led to a broadening of interests, a demanding multinational diplomatic environment, and new institutional processes and mechanisms. The department became involved in the Union’s governance structures and, given its co-ordinating role on EU matters, became more integrated with the domestic system.

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33 At an interview conducted for the purposes of this research at the Department of Foreign Affairs.
of public administration. The department’s modernisation was characterised by an increase in the number of staff in head office and in Irish missions abroad. The numbers abroad increased from 74 in 1967 to 120 in 1977 and staff in head office increased from 41 to 94 in this period.34 Increased resources were accompanied by internal organisational changes with the creation of new divisions, the re-organisation of existing ones and increased functional specialisation at head office. Those changes were a response to membership, the demands of managing a presidency and the widening scope and reach of Irish foreign policy.

Foreign Affairs, like all government departments, suffered a reduction in staff during the public sector recruitment embargoes of the late 1980s. The consequence of the embargoes began to bite just as the international system underwent a profound transformation with the end of the Cold War. The Irish Foreign Service, as a participant in the evolving CSFP, was confronted with a myriad of new states, additional conflicts and the growing salience of issues such as human rights. At the same time, the Anglo-Irish Division in Foreign Affairs was actively involved in the negotiations on a new institutional framework for Northern Ireland.35 Notwithstanding these multiple demands, the Irish Foreign Service remains small relative to the EU’s other small member states. Countries such as Belgium, Denmark, Greece and Portugal have twice as many embassies and twice as many diplomatic staff as Ireland. The gap in resources between Ireland and Finland, an analogous small state, is clearly illustrated by the following figures. Finland has 91 missions abroad whereas Ireland has 60. Ireland has a total of 289 diplomats in contrast to 501 in the Finnish diplomatic service. The total number of staff including diplomats, technical, administrative and contract staff available to the Irish Foreign Service is 1,100 in contrast to 2,680 in the Finnish system. The need to expand Ireland’s diplomatic network has led to the opening of 20 additional missions (a third of all missions) since 1993. The pressure to increase Ireland’s representation in Europe and

globally has 'hollowed out' headquarters in Dublin with the result that the system has a weakened core at a time when Ireland's international role is growing. This clearly impacts on the department's ability to manage the EU dimension of its brief. Concern about the capacity of headquarters to direct the growing diplomatic network and to respond to the demands of strategic policy making led to a major internal review of its resources and organisational structure in 1999-2000. The review and any consequent changes will have to be completed by the end of 2001, two years before the next Irish presidency, as preparations require a minimum of two years.

The EU poses a particular challenge to national foreign ministries because it is an arena that involves a complex blend of the diplomatic and domestic/sectoral, or the political and technical. Adequate representation in the EU requires that national officials and ministers manage that interface between the diplomatic and the sectoral so that policy is not driven by the technical preferences of line ministries, on the one hand, or the demands of inter-state diplomacy, on the other. The EU's negotiating process demands a blend of policy expertise and diplomatic negotiating skills. Changes in the Union's institutional system also affect the role of national foreign ministries. Until the advent of the European Council in 1975, the General Affairs Council (GAC), consisting of national foreign ministers, provided the Union's political authority and impetus. The strategic role of the GAC was taken over by the European Council although the GAC remains in principle the main co-ordinating Council at ministerial level. The growing international role of the Union has meant that the agenda of the GAC tends to be dominated by foreign policy issues leaving it with little time to engage in serious co-ordination. Thus although

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36 The review in Foreign Affairs is very extensive, involving an analysis of the internal organisation in headquarters and the department's external links to other government departments and to the growing network of embassies. The review is likely to focus on increased resources and organisational/structural change. All Foreign Ministries in the EU are undergoing a review process as they seek to enhance their capacity in the lead-up to EU enlargement. Any changes will have to be implemented by the end of 2001, two years before the next Irish Presidency in the latter half of 2004.
national foreign ministries have an overarching role in member
governments, their prominence in EU affairs has been challenged
by the formation of the European Council and the emergence of other
powerful Councils, notably, the Economic and Finance Ministers
(ECOFIN) and the Justice and Home Affairs Council (JHA).

Reflecting its mandate to co-ordinate Ireland’s EU policy, the DFA
sets out for itself a key role in EU co-ordination in its strategy statement
which identified its ambition to develop ‘with the Irish administration
as a whole, a strategic, co-ordinated and coherent response to the
protection and promotion of Ireland’s interests in the EU.’37 A series
of actions relating to this objective were identified:

● to stimulate maximum awareness in the Irish administrative
  system of EU issues and work to ensure that these receive
  appropriate priority
● to develop in co-ordination with other departments detailed
  strategies for the promotion and protection of Irish interests
● to keep under active review and seek to improve as necessary
  the mechanisms for EU co-ordination within the department
  and between departments.38

These claims identify Foreign Affairs as advocates of EU awareness
in the Irish system and as joint custodians of Ireland’s structures and
processes for managing EU business. The actions require the estab-
lishment of review processes for policy, process and strategy. The
capacity of the department to follow through on these actions depends,
amongst other things, on its resources, relations with other government
departments and its prestige in the system both at EU and national
levels. It also depends on the political priority accorded to EU business
by the government and key ministers.

What then is the specific DFA role in the management of relations
with Brussels? Within the Irish system, the Department of Foreign
Affairs is the department with an overview of developments in the

37 Department of Foreign Affairs, 1998, Promoting Ireland’s Interests: Strategy
Statement, Department of Foreign Affairs: Dublin. p. 21
EU from an institutional and political perspective. In addition, its embassies in the member states can provide information and briefing on the policy positions of the member states. All of the officials interviewed in the DFA and in other government departments identified its role in keeping a watching brief over developments from a macro-perspective. Coherence and internal consistency in the Irish position was identified as a key goal by Foreign Affairs. Through its diplomatic network and its key role in the Irish Permanent Representation in Brussels, it is a pivotal source of intelligence on the shifting sands of the EU agenda, of developments in the policy process and perceptions of Ireland in that process. It has a key function in identifying how and what national preferences can be promoted within the EU and in identifying the trade-offs that might be necessary as negotiations develop. Given its traditional expertise in the practice of negotiations, it has considerable experience in assessing the negotiability of a particular line in Brussels. According to an interviewee from another department, ‘the DFA brings international experience, networking, capacity to work the institutions, and is good at reading the key people.’ Because it is not a sectoral ministry, it can afford to take a broader picture of developments in Brussels and must try to assess the impact of particular Irish demands on the broad balance of relations with Brussels.\(^{39}\) According to one interviewee, ‘you should take the national interest as far as you can and then evaluate the international effects. If you take an interest too far, the overall can be damaged.’\(^{40}\) Precisely because it is not beholden to particular clients, the department is free to sketch the wider picture rather than concentrating on the minutiae of sectoral negotiations. That said, there are inevitable interdepartmental battles between the macro and the sectoral with the home departments prioritising what falls into their own areas. According to those interviewed in the DFA, it can be difficult to get officials in the home departments to focus on areas outside their immediate interest and by extension the wider national picture. For the home departments on the other hand, the DFA can be

\(^{39}\) In an interview conducted for the purposes of this research at the Department of Finance.

\(^{40}\) In an interview conducted for the purposes of this research at the Department of Foreign Affairs.
too engrossed with good relations with Ireland’s partners and the Commission and thus may be too quick to compromise. The tension between the overall national interest and particular sectoral interests is inevitable in any system of public policy making. In relation to the EU it is essential that the sectoral is balanced by consideration for the effective pursuit of the overall interest.

The DFA is the custodian of Ireland’s presence in the EU system with an interest in ensuring that Ireland is represented at meetings and that it meets its obligations under Community law. Interviewees in other departments, spoke of the need to keep the DFA happy and of its dislike of an ‘empty chair’ policy. The DFA does not however have authority over the other departments and cannot direct them to alter either their policies or processes in relation to the EU. Given the technical expertise of the home departments, they may often win interdepartmental battles, unless the authority of the Taoiseach and his department is invoked.

In assessing the role of the DFA, it is important to distinguish between different kinds of EU policies. First, there are areas where the department has by definition lead responsibility such as the CFSP, ESDP, development co-operation, institutional development of the Union, the management of the presidency and enlargement. Second, are those cases where the department exercises a formal co-ordinating role such as an IGC or Agenda 2000 for major cross-cutting negotiations. With respect to these types of negotiations, it is the quality of its interface with the Taoiseach’s Department, the lead home departments, and Brussels, which matter. Third, are areas such as JHA that have an important external role. Fourth, are those areas where the department’s involvement is light but where it might be called on to intervene. The department is directly responsible for the General Affairs Council (GAC) of Foreign Ministers, the Development Council and the provision of briefs to the Taoiseach for meetings of the European Council. The GAC is the main co-ordinator of Council business and is the main channel of material to the European Council, apart from issues relating to the Euro and competitiveness. The direct link between the GAC and the European Council demands a close working relationship between Foreign Affairs and the Taoiseach’s department. The Council phase of the Union’s policy process imposes heavy
demands on this department. Its role in monitoring and assessing developments in the EP is less developed. The core of its involvement is in the negotiating phase of the policy process, rather than implementation, that is mainly the responsibility of the domestic departments.

The Economic Division in the department’s head office (in Dublin) and the Irish Representation in Brussels form two central nodes in the management of EU business, particularly in relation to pillar 1, as they interact with a) EU institutions, particularly the Council but also the Commission and the Parliament, b) government departments both individually and collectively. The Economic Division, one of eight divisions in the DFA, is in essence the department’s EU division. It was divided into five sections dealing with EU co-ordination and institutions, EU Agenda 2000, EU internal policies, EU enlargement and EU external relations and bilateral economic relations until autumn 1999 when the Agenda 2000 section was abolished because the negotiations had been completed (see Figure 4).

Agenda 2000 and enlargement were regarded as sufficiently important to warrant a section of their own right for the duration of the negotiations. The EU co-ordination section is primarily for co-ordinating the preparation of ministerial briefs for the General Affairs Council, for supplying briefing material for the Taoiseach for European Council meetings and is the formal pathway for the circulation of much EU material to the domestic departments. Apart from bilateral economic relations, the two other sections – EU internal and external policies – are dealing with the EU. The external relations section is responsible for the Union’s external relations under pillar one, notably trade (WTO) and association agreements. It used to have responsibility for enlargement but given the importance of the next enlargement, it was considered necessary to set up a specialised unit to deal with this area. In the trade field, it plays a secondary role to the lead department, Enterprise, Trade and Employment which provides the head of delegation (titular) for the Council’s Article 133 Committee. This unit has continuous contact with E, T and E, up to several times each day. The section dealing with internal EU policies is a shadowing section, attempting to keep a watching brief over all internal EU policies but has great difficulty in doing so, as the domestic departments take
Figure 4: Department of Foreign Affairs

Minister for
Foreign Affairs
Minister of State
(special responsibility for Overseas
Development Aid and Human Rights)
Secretary General
Second Secretary

<table>
<thead>
<tr>
<th>Anglo-Irish Division</th>
<th>Political</th>
<th>Economic</th>
<th>Development Co-operation</th>
<th>SECCO</th>
<th>Administration and Consular</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Ireland and Anglo-Irish Affairs</td>
<td>Common Foreign and Security Policy</td>
<td>Co-ordination of EU Policy</td>
<td>Bilateral Aid Programme</td>
<td>Ireland’s Security Council Candidature</td>
<td></td>
</tr>
<tr>
<td>International Fund for Ireland</td>
<td>United Nations</td>
<td>Internal EU Affairs</td>
<td>Multilateral Aid Programme</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Press and Information</td>
<td>OSCE</td>
<td>External EU Affairs</td>
<td>Emergency Assistance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Security Policy Non-Proliferation Disarmament</td>
<td>Bilateral Economic Relations</td>
<td>Finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Council Of Europe</td>
<td></td>
<td>Management Services and IT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Human Rights</td>
<td></td>
<td>Accommodation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bilateral Political Relations</td>
<td></td>
<td>Consular Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Passport Office</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Department of Foreign Affairs website at http://www.irlgov.ie/iveagh/default.htm
the lead in all of these policy areas and have in-depth expertise.

The Political Division and the Development Co-Operation Division have a significant EU involvement. The Political Division is primarily responsible for Ireland’s involvement in the CFSP – classical foreign policy, and thus the singular preserve of Foreign Affairs. The rapid development in the area of security and defence has been tracked very carefully by the Political Division and has involved it in bringing the Department of Defence into the EU policy loop. Involvement in the EU radically altered the internal organisation of the department’s Political Division with the establishment of area desks. The division has eight sections, the most significant of which are CFSP co-ordination and security policy. The head of division is Ireland’s political director, who is responsible for attending meetings of the Political Committee, the high-ranking committee for dealing with the international role of the Union. The Division also has a deputy political director at counsellor rank, who doubled up as the security director. The post of security director has been superseded by the creation within the Council of a standing ‘Political and Security Committee’ in Brussels. Foreign Affairs posted a senior representative at ambassadorial level to sit on this committee. This brings to three the number of diplomats in Ireland’s Permanent Representation with ambassadorial rank.

This division is responsible for all committees, some twenty-seven to thirty meetings per month, that meet under the auspices of pillar two. Unlike pillar one activities, almost all committees in the political area are serviced from Dublin although, following the implementation of the Treaty on European Union, a CFSP counsellor was attached to the Permanent Representation in Brussels. The Political Division works closely with the department’s Economic Division, particularly in relation to issues such as enlargement with daily contact between the East European Desk in Political Division and the Enlargement section in the Economic Division. Given the nature of its responsibilities it has weaker links to the domestic departments than the Economic Division. The most important interaction it has is with the Department of Defence, on the development of Ireland’s position in Europe’s changing security environment. It sees its role as encouraging the Department of Defence to adapt to the changing environment, particularly to the Petersberg tasks in the TEU and Partnership for
Peace. The DFA chairs the interdepartmental committee on peace-keeping, which is increasingly an EU issue. Given the political sensitivity of security, considerable contact is also maintained with the Department of the Taoiseach on major security issues.

Developments within the Council in the aftermath of the Treaty on European Union challenge the internal organisation of the Irish Foreign Ministry. In an effort to improve the coherence of the Union's external relations, many of the Council's working parties in pillars one and two have been merged on a geographical basis. This puts pressure on the Irish system to conform and merge the various divisions in head office on a geographical and thematic basis. The structural division in head office between the political and economic appears ill adapted to EU developments and changes in the nature of foreign policy.

The Permanent Representation in Brussels is the arena in which the domestic departments and Foreign Affairs are under the one roof. Ireland's permanent representative and deputy (representatives on COREPER II and I) have always been career diplomats. This means that all Council business is filtered through a diplomatic lens, before it reaches the ministerial level. At this level, the senior diplomats must fit the technical details into the political spectrum. Their filtering role allows them to review the quality and consistency of the positions being taken by the line departments in Council working parties. They may pick up on things that were missed, or may get additional briefing from Foreign Affairs, an Irish embassy in one of the capitals or the home department. The filtering process in COREPER enables those with an overview to 'recognise when to stop fighting on behalf of another department.'41 Within the Irish diplomatic service there is a cadre of officials (relatively small in number) with deep knowledge of how the EU system operates, officials who are Brussels insiders. Their knowledge and experience, which is of immense value in managing Ireland's relations with Brussels, is built up in the Economic and Political Divisions in head office, in the Representation in Brussels and on secondments to the Commission services or cabinets. Membership of the EU has led to the development of 'EU affairs' as

41 In an interview conducted for the purposes of this research at the Department of Foreign Affairs.
a distinct specialism in the Irish diplomatic service. These diplomats know the Brussels system, have developed good contacts in other member states and in the Union’s institutions and are at home with the distinctive style of negotiations that characterises EU policy making. The work on EU matters also leads them to have extensive contacts with the home departments.

Finance
In the late 1950s and 1960s, the Department of Finance was Ireland’s main EU department battling with Industry and Commerce and Agriculture about the shift from protectionism to liberalisation. Its role remained important after accession although Foreign Affairs was given the co-ordinating brief. In 1972 the department had one section that dealt with all EU matters. EU policies quickly began to permeate too many areas of domestic policy for that position to persist. The department’s role in EU business has increased significantly since the mid-1980s with the single market programme, EU structural funds, taxation and EMU. In addition, its role as the controller of the public finances gives it a central role in EU affairs. It is standard practice that EU proposals with financial implications for the Exchequer must be cleared with the Department of Finance before being approved. From the perspective of the Department of Finance, the EU was a welcome source of funds. Moreover, it establishes the policy environment in relation to budgetary expenditure, state aids, and taxation including some aspects of VAT. EU policy regimes notably the structural funds have triggered institutional reform by placing an emphasis on medium term planning, monitoring and evaluation of public programmes. The development of an ‘evaluation culture’ is one of the most important consequences of the Community Support Framework. The new methodology is one of the main changes in Irish public policy making resulting from membership. By and large the interviewees in this department welcomed the framework associated with EU public policies and accepted that in the EU ‘there was strong peer influence and agreement on what is the correct economic policy.”

42 In an interview conducted for the purposes of this research at the Department of Finance.
the EU’s role is illustrated by the following remarks, ‘To say that what a Treasury does traditionally is now under a European roof is not overstating the case’ or ‘the EU is part of the wallpaper’.43

Participation in the EU is cited in the department’s Strategy Statement as its second strategic priority (one of four) with specific objectives in relation to five areas of EU business:

- EMU
- Structural and Cohesion Funds
- Efficient and Effective Management of EU Funds
- Financial Regulation
- Taxation44

The department interacts with the EU arena via the ECOFIN Council, its preparatory body, the Economic and Financial Committee (formerly the Monetary Committee), the Euro11 Council, the European Central Bank, the Budget Council, other Council working parties dealing in particular with financial regulation, COREPER, the Tax Policy Group chaired at Commission level and bilateral dealings with the Commission. There is an ECOFIN Council every month and a Budget Council at least twice a year. These meetings include evaluations of national economic policy and performance in addition to detailed negotiations on legal instruments in relation to financial services. Moreover, the department has extensive bilateral contact with the Commission. It is central to the management of the structural funds and has a major role in negotiations on taxation, where DFA’s involvement is minimal. This brings its senior officials and those responsible at principal officer level into intensive and continuous contact with the relevant Commission DGs. The department played a major role together with the Department of Enterprise, Trade and Employment (ET&E) in the negotiations on corporation tax, the most important bilateral negotiation ever between Ireland and the Commission (see Box 1 in chapter 1). Its central responsibility for the Community Support Framework involves daily contact with the Commission

43 In an interview conducted for the purposes of this research at the Department of Finance.
services. The Commission engages in considerable wheeling and dealing with national authorities. Inevitably there are conflicts when national and EU preferences differ. Senior officials from the department are frequently called on to serve on high level committees established by the Commission or Council. For example, the Code of Conduct Group was set up by ECOFIN in December 1997 under the Code of Conduct on harmful business tax.

*Figure 5: Department of Finance*

![Diagram of Department of Finance]

Source: Department of Finance website at [http://www.irlgov.ie/finance/Department/main2.htm](http://www.irlgov.ie/finance/Department/main2.htm)

Within the department, the Finance Division remains the division with most EU business. It is responsible for four areas of EU policy – monetary policy (EMU), Ireland’s contributions to the EU budget, financial regulation, and the negotiations and implementation of the Community Support Framework (the National Development Plan). (See Figure 5.) It is thus a key player in two very significant EU policies for Ireland – the structural funds and EMU. The former will in future be of less importance given the change in Ireland’s relative economic position. The head of this division represents Ireland at the Economic and Financial Committee, a key part of the institutional framework for managing the Euro. Its regulatory role in the area of
financial services also has an important EU dimension because of a
growing number of directives in this field under the Action Plan on
Financial Services. In addition, it is responsible for intra-ministerial
coordination on EU matters in the department. This relates essentially
to the coordination of ECOFIN briefs, the circulation of documents
and anything to do with Europe that does not logically fall within the
remit of other divisions.

The Budget and Economic Division is the division with overall
responsibility for general economic and social planning in addition
to its monitoring role in relation to developments in the economy
and in public expenditure. The division services the Economic Policy
Committee that looks at broad macro issues such as structural reform.
It is the lead division in relation to taxation, an area of growing
salience on the EU agenda. This division is responsible for the preparation
of Ireland’s Stability Programme 2000, a requirement under the single
currency rules. The surveillance of national budgetary positions is
increasing with the Stability Pact, and a move from biannual to
quarterly reports on the budgetary position. Because Ireland is in
surplus, the Stability Programme does not impinge on other departments
or the government at this stage but the surveillance under the new
rules is just beginning. An increasingly important function for this
division is to monitor not just developments in the Irish economy but
in the wider European economy so that Ireland can participate in the
management of the single currency and in the deliberations in the Euro
11 Council. In recognition of this, the Economic Division was
reorganised in early 1999 so that there is an assistant principal and
administrative officer solely responsible for Euro-11. The adequacy of
this level of resources, given Ireland’s major national interest in
developments in the Euro zone, must be questioned. This division must
assess the compatibility of Ireland’s economic policy with participation
in an increasingly open economy within a single currency zone. As
the EU system moves from the preparatory phase for EMU to the
actual management of the single currency, these two divisions will need
to co-ordinate more on EU matters as the Economic and Financial
Committee is likely to deal more with economic rather than monetary
matters, because responsibility for exchange rates rests with the
European Central Bank (ECB).
The remaining divisions are less centrally involved with EU business. The Public Expenditure Division has a very minor direct EU role but is a key link to the wider governmental system in relation to the flow of funds from Brussels through the domestic system. It also has a key role in ensuring that departments and state agencies observe EU public procurement rules that are monitored by the Government Contracts Committee in this division. The Organisation, Training and Management Division has an EU role in three areas. First, in its training role, it provides training on EU business, particularly in preparation for the presidency. Second, it has a brief to oversee the placing of Irish nationals in international organisations, with particular reference to the European Commission. Third, it is involved in what might be called ‘soft integration’ in relation to the management role of the public service. The directors general of national public service divisions meet once during each presidency to discuss issues such as training, mobility and personnel management.

The Taoiseach’s Department
The final component of the trinity is the Taoiseach’s department, a small but central department because it can bring the authority of the Taoiseach to bear. The department’s role in EU business was greatly enhanced by the establishment of the European Council in 1975 and further strengthened by the growing strategic significance of the heads of government in the EU. The EU has contributed to enhancing the power of the Taoiseach within the Irish governmental system. In the 1970s, it appeared as if the foreign minister would have most involvement in EU affairs, but this gradually changed to such an extent that foreign ministries have had to redefine their role in the EU system. Over time, the Taoiseach replaced the foreign minister as the key political player in EU policy when the European Council achieved prominence in the lead-up to the Single European Act. This process began in the 1980s but accelerated in the 1990s. The European Council met three times alone in the first half of 1999 under the German presidency. Effective participation at the European Council depends on the individual prime ministers having an excellent grasp of the issues being discussed, as they are not accompanied in the meeting room by officials, apart from a note taker, and cannot easily avail of
speedily written briefing notes from civil servants. Good personal relationships with their counterparts from other member states are also vital as the personal dimension matters greatly at this level. In addition to formal summits, prime ministers engage in very extensive bilaterals with other heads of state. They are regularly on the phone to one another, networking, and can get to know each other very well. There is constant contact at a high level with a greater volume of and urgency to the work. There are proposals to establish a PrimeNet to link the offices of the heads of government that will serve to further enhance the links between members of the European Council.

The stated role of the European and International Affairs section of the Taoiseach’s department is to support the Taoiseach as a member of the European Council and in conjunction with the Department of Foreign Affairs and other key departments, to co-ordinate and contribute to the development of Government policy in relation to Ireland’s role in the EU, with a particular emphasis on current and prospective issues on the European agenda.\(^5\) The department has a very small European and International Secretariat with a complement of five administrative staff, including the head of the unit. This dates from 1982 when the Taoiseach, Charles Haughey, established an International Affairs Division which covered Northern Ireland and the EU. The EU Secretariat prepares briefs for the Taoiseach, collates what comes from other departments, and services a range of inter-departmental committees, a task DFA had in the past. The Taoiseach’s department opts for a strategic focus and does not go into the details. Its strategic focus is, however, very much dictated by the agenda of the European Council and is driven by policy considerations. Its objective is to pull the different threads together and to develop a synthesis for advising the Taoiseach. It does not pay any attention to questions of organisational capacity and the manner in which Ireland handles its business. Because of the size of the unit, it deliberately forges links with the key people in other departments. The important departments in this regard are Foreign Affairs, Finance, Agriculture, Food and Rural Development, Enterprise, Trade and Employment and Justice, Equality and Law Reform. There appears to be no desire to replicate the

\(^5\) http://www.irlgov.ie/taoiseach/organisation/euroint/default.htm
expertise of other departments, to detach officials from their home department or to create a cadre of diplomatic advisors outside the foreign service. In most other member states, the prime minister's office would have a separate EU and international division and would have high ranking personal advisors on EU and international affairs. Given the growing role of the European Council and the number of major action plans being directed by the European Council, such as the Tampere Conclusions on Justice and Home Affairs (October 1999), the Helsinki Conclusions (December 1999) on the European Security and Defence Policy, and the Lisbon Conclusions (March 2000) on Competitiveness, the allocation of resources in the Taoiseach’s Department to EU business may not be adequate (see Figure 6).

Figure 6: Department of the Taoiseach

Source: Department of the Taoiseach website at http://www.idg.gov.ie/taoiseach/organisation/default.htm
3.3 The holy trinity as a focal point

The holy trinity forms Ireland’s core executive on EU matters. It is commonplace in the literature to argue that there has been a steady erosion of the role of foreign ministers and their departments as a consequence of the blurring of boundaries between the domestic and the international, particularly in the EU. In the Irish case the evidence points to subtle changes in the position of the three ministries rather than an erosion of powers of any one of them. The Taoiseach’s department has undoubtedly greatly increased its role at the interface between domestic and foreign policy and has developed administrative structures to support the Taoiseach in his international role. The growing international role of heads of government in the EU and more generally is a structural feature of the contemporary international system which will persist. The greatest resource of the department is the authority of the Taoiseach as the head of government. This enables it to command the attention and resources of the line departments. Meetings called by the Taoiseach’s department are taken more seriously than meetings called by a foreign ministry. Demands for briefing material are likely to be met. Moreover, the Taoiseach’s department is regarded as neutral with a role as arbitrator in the policy battles between the line departments. It would be regarded as more neutral than the Department of Finance with its Exchequer brief. The department faces very real constraints in resource terms, however, as it is very small, dependent on the line departments for the raw material for briefings and for detailed policy knowledge. In this regard, Foreign Affairs retained a central role in managing the Taoiseach’s international programme as it is the main source of advice and briefing material. Although the General Affairs Council (foreign ministers) has declined in importance in the EU system, this has affected the role of the Irish foreign minister rather than the department per se. The predominance of the Department of Finance in the Irish governmental system has been eroded somewhat in that the Taoiseach’s department is now centrally involved in the process of social partnership, the strategic management initiative and the management of EU business. That said, it remains the core department of state given its control over the public purse and its role in economic policy.
The three departments are complementary rather than competitive in their relationship because they must pool their limited resources to adequately manage the interface with Brussels. The key question is whether the holy trinity have the capacity and the processes to strategically position in the EU system that is being fashioned on a continental scale. There is a clear division of labour between the three departments with Finance taking the lead in relation to the drafting and implementation of the national plan or taxation issues, for example, and Foreign Affairs taking the lead on enlargement and institutional reform. The involvement of the Taoiseach’s department is driven by the European Council agenda, bilateral meetings with other heads of government and conflicts with the Commission, for example the beef fines in 1996. Officials dealing with the EU in the DFA and Finance express considerable mutual respect for each other, which may be attributed to the close personal relationships that have developed through constant interaction, a common pool of graduate entrants and the fact that both departments are comfortable with the process of Europeanisation.

3.4 The big line departments
Although EU business permeates the work of almost all line departments, three in particular have key EU responsibilities, Enterprise, Trade and Employment (ET&E), Agriculture, Food and Rural Development, and Justice, Equality, and Law Reform. Together these departments account for a sizeable proportion of Ireland’s EU business. Given the size of these departments and the salience of their responsibilities, they have a high degree of departmental autonomy in the exercise of their policy responsibilities and have a role

46 These departments were chosen as they are involved in extensive and salient EU business for Ireland. ET&E and Agriculture’s European involvement pre-dates EU membership. These two departments are faced with a very different EU challenge because ET&E has responsibilities for five Councils whereas Agriculture can direct all of its energies in a highly focused institutional channel. The inclusion of Justice reflects the growing importance of JHA issues in the dynamic of EU policy making. Apart from these ministries, Environment, Public Enterprise and the Marine have major EU responsibilities. Public Enterprise is sectoral, like ET&E, whereas Marine can focus solely on the Fisheries Council.
in the development of Ireland’s overall strategic response to integration. They tend to be involved in macro-negotiations in addition to sectoral policy areas. ET&E and Agriculture have been key EU players from the outset whereas the involvement of Justice is a feature of the 1990s. The EU task facing these three departments differs greatly one from the other. Agriculture is a clearly defined sector with a well-organised and politically significant client group. ET&E is multisectoral with responsibility for regulation, trade, social and employment policy and EU funds. Justice is managing a relatively new but rapidly changing policy domain which is characterised by extraordinarily complex decision rules, and the UK and Irish opt out from Schengen and aspects of Justice and Home Affairs.

**Enterprise, Trade and Employment**

The Department of Enterprise, Trade and Employment (ET&E) represents a merger in 1992 between the departments of Industry and Commerce and Labour. The trade portfolio reverted to this department following the election in 1997. The amalgamation of Labour and Industry and Commerce was an important organisational change in Irish central government as it combined industrial development, on the one hand, and employment rights, on the other. In some sense it brought the two sides of industry under the one roof and created a very large ministry. The department’s statement of strategy identifies the impact of the EU by stating that:

A large element of the work of the department arises from Ireland’s membership of a number of international organisations, in particular the European Union (EU) and the World Trade Organisation (WTO). EU and WTO policy and operational decisions influence virtually all of the Department’s activities, in particular employment, trade, industrial policy, competition, consumer affairs, employment rights, company law, insurance, occupational safety and health and industrial relations.47

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ET&E faces the most complex challenge in managing EU business because of the multifaceted nature of its involvement. This department’s diverse EU involvement is underlined by the fact that it traditionally serviced six different ministerial Councils – the Internal Market, Consumer Affairs, Industry, Employment and Social Affairs, the trade brief in the General Affairs Council, and Research. This was the largest number of Councils serviced by any one department. The reduction in the number of Council formations reduces the number of Councils serviced by this department from six to five. In fact, the management of Council business may become more difficult as two of the new Council formations – Industry and Energy, and Internal Market, Consumer Affairs and Tourism – will have agenda items involving other home departments. It is practice for the minister to attend the Industry Council and for ministers of state to attend the other Councils although the senior minister may attend the Employment and Social Affairs Council on occasion. All Council formations generate their own rhythm of work leading to a large
number of meetings at working party level. It is estimated that 23 of
the 26 principal officers at the operating core of the department have
significant, albeit variable, contact with the Commission. The multi-
sectoral interaction between this department and the EU makes the
management of its EU business particularly challenging. The
department opted for a policy of complete ‘internalisation’ in 1997
when it abolished its EU unit that existed since 1969 and assigned
responsibility for EU business to those divisions with sectoral
responsibility. Having experimented with complete ‘internalisation’,
the department established a new integrating device in 2000, discussed
below (see Figure 7).

The department interacts with Brussels in a number of different areas.

Regulation: EU Standards Programme, company law, insurance law,
copyright law, merger control, consumer law, e-commerce and
employment rights. There is an important EU dimension to regulation
in all of these fields with the result that the main regulatory divisions
in the department – Insurance and Company Law, and Employment
Rights, Consumer affairs and Competition policy – are engaged in the
negotiation of EC directives and in their subsequent transposition
and implementation at domestic level. The pervasive impact of EU
regulations can be gleaned from the statutory instruments issued by
the minister in 1998; 16 of a total of 28 statutory instruments were as
a consequence of the transposition of EC Directives. A further 15
directives adopted at EU level in 1998 will have to be transposed into
Irish law in the years ahead.

EU Funds: European Social Fund, Fifth Framework research
programme, and venture funds. There is a dedicated section to manage
EU Structural funds, particularly the European Social Fund. The
department is the lead department for this fund and is the certifying
authority on the payments side. The department’s ESF section is the
central node in a network involving Employment DG in the
Commission, public and private training agencies, local community
initiatives and other government departments.

Competition Regime: monitoring and reporting on state aids, negotiation
and implementation of state aid guidelines. The section responsible for state aids has intensive interaction with the Competition Directorate in the Commission.

Benchmarking: Competitiveness and Employment Pacts/Programmes. The increasing co-ordination and evaluation of employment policy at EU level following the 1997 Luxembourg Employment Summit led to the preparation of the Action Plan on Employment in 1998, that was reviewed by the Social Affairs Council. An assistant secretary from ET&E was appointed as chair to the newly formed Employment Committee.

International Trade: ET&E exercises the lead role in multilateral trade negotiations, servicing the 133 trade committee and the trade dimension in the General Affairs Council.

The decision in 1997 to abolish the co-ordination unit was premised on the fact that with six ministerial Councils and such a fragmented and diverse EU involvement, no macro-co-ordination was needed. It was concluded that complete ‘internalisation’ was the most effective strategy. This meant that for the six councils – Industry, Internal Market, Research, Consumer Affairs, General Affairs Council, and Social Affairs – there was a lead co-ordinator designated. This decision was taken without consultation with the Department of Foreign Affairs, although it meant that information had to be sent through five different channels, rather than having one contact point which is the norm for the system. Following the implementation of the decision, a European Affairs Committee (EAC) chaired by an assistant secretary was given responsibility for managing the transition and for dealing with horizontal issues. This committee met relatively frequently in the initial stages but gradually became non-operational as the sectoral co-ordinators began to focus exclusively on their policy domain. The EAC undertook a review of how the department dealt with EU business in 1998 to assess if the department was ‘getting things right’ in Brussels. The review analysed the pattern of representation and attendance at meetings, the nature and extent of contact with the Commission, the possibility of trade-offs across Councils, and bilateral
contact with other delegations. There was a consensus that some units in the department were relying too much on representation from the Irish Representation and were not going to Brussels often enough. Nor were there established standard practices for managing EU business and for ‘thinking European’. The report went to the department’s management board in January 1999. This was followed by a second review by a cross-departmental project team in the context of the Senior Management Development Programme. The second report went to the management board in June 1999. Both reports identified gaps in the department’s management of EU matters, notably the lack of exploitation of the benefits of responsibility for five councils and shifts in EU governance regimes. In September 1999, the management board took the decision to set up a dedicated EU Affairs function under the direction of an assistant secretary and to re-establish the Committee for EU Affairs. The decision was taken after a comprehensive analysis of the department’s approach. The underlying philosophy of the change was ‘to facilitate a proactive approach to issues influencing or which may influence the mission, aims and objectives of the department.’

The newly constituted EU Affairs section was given four key tasks in its mandate. These were:

1. to operate as executive secretariat to the Committee on EU Affairs and as a point of contact and representative in cross-divisional EU issues
2. to take responsibility for wider EU issues impacting on the Department
3. to co-ordinate matters not appropriate to a particular Council
4. to raise departmental awareness on wider EU issues of relevance.

The EU Affairs Committee, chaired by the head of the EU Affairs Division, has a remit to (1) review ET&E’s approach to EU business, (2) to consider cross-cutting issues and (3) to engage in tactical

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48 Department of Employment, Trade and Enterprise, Unpublished Internal Memorandum dated 9/7/00.
co-ordination of departmental business across Councils. Having engaged in a review of how EU business was conducted, the department put in place new structures, processes and additional resources to strengthen the department’s management of EU matters. The new approach will allow the department to provide its political head with coherent horizontal advice on EU developments and will provide a framework for all of those responsible for sectoral Councils. It will support the work of the Permanent Representation in Brussels by providing them with an organisational and policy focus. Although the unit and the new procedures have only been in operation since the beginning of 2000, they have begun to prove their worth. A number of horizontal issues on the EU agenda – IGC, enlargement, Lisbon Summit – enabled the unit to prove its relevance and ‘added value’ very quickly. The unit was particularly active in the development of Ireland’s position for the Lisbon Summit on economic governance. In fact, had the unit not been in place, it would have had to be created to manage the demands of the Lisbon Summit. In addition, it has begun the process of establishing high level contacts with the Commission to enhance its networks and has created a Lotus Notes-based EU Bulletin Board. The new approach to managing EU business is the subject of regular review by the management board.

Agriculture, Food and Rural Development
The Department of Agriculture, Food and Rural Development (DAF) has the clearest and most focused competence in relation to EU issues – protection of the Common Agricultural Policy and implementation of CAP regimes in Ireland. The sectoral nature of its policy responsibilities, in addition to the way in which CAP policy is made in Europe, facilitated a highly targeted approach to the management of EU business from the outset. Of all of the domestic departments, Agriculture actively embraced Europeanisation from 1970 onwards. The significance of the CAP to Ireland and its centrality to the EU budget, ensured that the DAF would undergo major structural change as a result of EU membership. The department’s strategy statement highlights the impact of the EU in the following terms:

National policy in food, agriculture, rural development and rural
environment is heavily dependent on developments at EU level. Our ability to pursue our own national policies is dependent on our success in negotiating policies that best suit our conditions.⁵⁰

The department interacts intensively with the EU, both Council and Commission, through the monthly meetings of the Agriculture Council, the weekly meetings of the Special Agricultural Committee (SAC), management committees for all of the products, and all committees and bilateral mechanisms dealing with the payments and auditing dimension of the CAP. The impact of the CAP runs right through the department from secretary general down to the technical staff who implement the programmes on the ground. The key EU responsibilities of the department include:

- **The CAP support mechanisms**: the big package deals - Agenda 2000, the annual price review, the rural development element of the structural funds
- **EU Accredited Payments Agency**: financial administration of FEOGA grants
- **EU regulation**: regulation of both agriculture and the food industries
- **EU external relations**: the agricultural dimension of the WTO and enlargement.

The department is at present going through a process of reorganisation that is intended to divide the departments fifty-five divisions (units headed by a Principal Officer) into three organisational pillars - policy development, FEOGA payments, and food safety and production.

From the outset the department adopted a very proactive approach to managing the interaction between the CAP and Irish agriculture. The political importance of farmers throughout many electoral constituencies, the lobbying practices of their representatives, and the economic importance of the sector more generally, meant that the CAP was accorded the status of 'high politics'. The department built up considerable expertise in the complexities of the policy, established contacts throughout Agriculture DG in the Commission and placed

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national experts in key units in that Directorate. The department rarely leaves an empty chair at a meeting, even in relation of products of no interest to Ireland. The rationale is that Irish interests will not be taken seriously if Irish representatives are not interested in the problems of other member states. Although the major concentration is on beef and milk, Irish representatives will track what is happening in all product sectors, including olive oil and wine. Its reputation at chairing the Wine Working Group goes back to 1975. The department seeks to influence the Commission at the drafting stage and will try to voice its preferences long before a set of proposals gets to the full Commission. It is essentially unique among Irish departments in having an inside track within the Commission. This is because policy goes through the product/policy advisory groups at the preparatory phase. There is an appreciation in the department of the central importance of the pre-negotiating stage and the role of the Commission desk officer. Once the opportunities for influence have been exhausted at this level, the department will track the proposals up to the Commission College, into the Council working parties, Special Agricultural Committee, the Agricultural Council and even up to the European Council. High level groups involving the secretaries general of national agricultural ministries are sometimes established to prepare particularly difficult agricultural councils, thereby bringing together the most senior officials in the member states. In the DAF, the secretary general must have substantial engagement with, and knowledge of, the details of the CAP (see Figure 8).

Ireland's representative at the weekly meetings of the SAC is the assistant secretary responsible for the 'EU International Trade/Organisations' division in the department. The representative on the SAC receives briefings on all agenda items by Friday each week for the meeting in Brussels the following Monday. The management committees for milk, beef, cereals and food production meet about once every fortnight and are attended by a principal officer or an assistant principal. Departmental officials are adept in the wheeling and dealing of agricultural negotiations and in the projection of the interests of Irish farmers in the Brussels arena. There is a keen appreciation in the DAF of the importance of the informal dimension of EU negotiations. Good links are maintained with the cabinet of the
Irish Commissioner and the Commissioner with responsibility for Agriculture. A premium is placed on knowing the key people in the Commission and in the other member states.

Figure 8: Department of Agriculture, Food and Rural Development

Minister for Agriculture, Food and Rural Development

Two Ministers of State

Secretary General

Assistant Secretary
Finance
Audit
Accounts

Assistant Secretary
Cereals/Plant Health
Horticulture/State Bodies
Food/Structural Policies

Assistant Secretary
EU
International Trade

Assistant Secretary
Beef Export Refunds,
Other Market Supports
Intervention Operations
Beef Controls

Assistant Secretary
Area Aid/Premia/Headage
Rural Development
Quotas/Collections/Lands
Agricultural Structures

Assistant Secretary
Personnel, Economics and Planning
Accommodation, General
Co-ordination, Management Services,
International Organisations

Assistant Secretary
Animal Health and Welfare
Disease Eradication
National Beef Assurance Scheme

Assistant Secretary
Milk Policy
Beef/Sheep
Pig/Poultry

Assistant Secretary
Information Systems
Chief
Chief
Veterinary Officer
Agricultural Officer

Source: Department of Agriculture, Food and Rural Development website at http://www.irigov.ie/daff/AboutUs/mgt.htm
The deep knowledge of the CAP in the department enables its officials to promote their preferences in a relatively unfettered manner. There is a degree of interaction with Foreign Affairs, Finance and Taoiseach’s department on macro-issues but the department is left to get on with the technical issues. Their expertise on the details of the Union’s regimes particularly in relation to beef and milk (71% of total agricultural output) ensures that they are left to get on with the job. They are not likely to face robust arguments about the particular policy preferences they pursue from the holy trinity except where options or choices of emphasis may arise in a multi-faceted negotiation.

Given the department’s close links with the farming lobby and food producers, the interests of the farmers and producers become the national interest. Given the flow of Brussels money to Irish agriculture, and the continuing albeit declining importance of agriculture to Ireland, the department has managed to maintain its pre-eminence in the development and projection of Irish interests in this domain. Because the protection of farm incomes is the primary policy goal, alternative strategies such as freeing trade, notwithstanding Ireland’s comparative advantage in dairy, are simply beyond the realm of admissible discussion. There is however a keen appreciation in the department that the boundaries of EU policy in this field are changing because of enlargement and the WTO. Moreover, the continuing decline in the numbers employed in agriculture has eroded the importance of the sector to the Irish economy.

Although the department’s projection of the chosen Irish preferences at EU level has been highly effective, the management of the policy at national level has been much more problematic. The DAF manages seventy different schemes and disburses over two billion IEP each year. In the early 1990s, extensive political controversy was generated about the beef sector in Ireland, leading to the establishment by the Dáil of the Beef Tribunal. The conclusions of the tribunal were critical of the management of the beef sector, leading the Commission to impose fines on the Irish authorities for weaknesses in the control systems (see Box 1 in chapter 1). In the period since the beef fines, there

has been considerable emphasis in the department on having a good auditing system so as to avoid disallowance by the Commission. The MacSharry CAP reforms in 1992 brought additional management difficulties because of the switch from product support to income support. The department did not have the management capacity for this major change at the outset and has struggled to develop this capacity since then. The MacSharry reforms required the establishment of a database to allow identification of different land parcels, a logistical nightmare according to one interviewee. As a consequence of the beef tribunal and the growing salience of management issues on the EU agenda, the department has devoted considerable resources to strengthening its management/auditing capacity in the 1990s. The establishment of a separate FEOGA payments agency is seen as the culmination of this process.

Justice, Equality and Law Reform
The Department of Justice, Equality and Law Reform is the most recent arrival to EU policy making. Prior to the inclusion of Justice and Home Affairs (JHA) in the 1992 Treaty on European Union (TEU), the Council of Europe would have been the main international body promoting judicial co-operation. Although the EU’s involvement in this field dates from the mid-1970s with what was known as the Trevi group, the intensification of EU involvement is a feature of the 1990s. In fact, co-operation in Justice and Home Affairs could be regarded as one of the big projects, post-Amsterdam, in the Union with the Treaty of Amsterdam’s commitment to ‘an area of freedom, security and justice’. The Treaty of Amsterdam included three major changes in relation to this field. First, migration and related areas were transferred from the third pillar to the first pillar. Second, the third pillar itself was expanded and modified. Third, the Schengen conventions and the acquis were incorporated into the Treaty. The Tampere European Council (October 1999) put JHA on a new footing with an ambitious work programme comparable to the 1992 internal market programme. Following Amsterdam, institutional responsibilities and decision

52 In an interview conducted for the purposes of this research at the Department of Agriculture, Food and Rural Development.
rules are divided between those areas that remain in pillar three (Justice and Home Affairs), those that have been moved to the first pillar with various transition rules, and the provisions of Schengen which have been added as a protocol to the Treaty. Ireland’s position in relation to this area of EU policy is complicated by opt outs from the Treaty, taken to preserve the common travel area with the UK.\textsuperscript{53} Ireland and the UK are exempt from the provisions of Title IV of the Treaty but can, under the terms of a protocol to the Treaty, participate in the adoption of measures or accept measures that have been agreed by the other member states retrospectively, on a case by case basis. Furthermore, although Ireland and the UK are not bound by the Schengen \textit{acquis}, they may request to take part in some or all of its provisions.

Amsterdam alters the policy process in a number of ways by giving the Commission more powers in the process, by creating more powerful instruments such as framework decisions which are not unlike directives, by establishing a more ambitious programme of co-operation, and by altering the time frame within which decisions will be taken. As a result of the Treaty, the institutional mechanisms for this field changed with the break up of the old K4 Committee, which was the main pre-ministerial committee in this policy field, into three committees responsible for different facets of co-operation:

- Strategic Committee on Immigration, Frontiers and Asylum
- Committee on Civil Law Matters
- Article 36 Committee.

These committees filter the deliberations of twenty-three working parties through COREPER to the JHA Council. As a consequence, the demands of servicing JHA co-operation have greatly increased and more and more areas of departmental work have been affected by the EU level. The list of working parties contained in Table 5 below gives an overview of the extent and nature of EU co-operation in this field.

\textsuperscript{53} For a fuller discussion of the Common Travel Area and the Treaty of Amsterdam, see Meehan E., 2000, \textit{Free Movement between Ireland and the UK: from the “common travel area” to The Common Travel Area}, Studies in Public Policy: 4, Policy Institute: Dublin. Especially pp. 1-4.
Table 5: Justice and Home Affairs Committees

<table>
<thead>
<tr>
<th></th>
<th>Committee Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>G 1</td>
<td>Strategic Committee on Immigration, Frontiers and Asylum</td>
</tr>
<tr>
<td>G 2</td>
<td>Working Party on Migration and Expulsion</td>
</tr>
<tr>
<td>G 3</td>
<td>Working Party on Visas</td>
</tr>
<tr>
<td>G 4</td>
<td>Asylum Working Party (2 sub-committees)</td>
</tr>
<tr>
<td>G 5</td>
<td>CIREA Working Party</td>
</tr>
<tr>
<td>G 6</td>
<td>CIREFI Working Party</td>
</tr>
<tr>
<td>G 7</td>
<td>Working Party on Frontiers</td>
</tr>
<tr>
<td>G 8</td>
<td>Committee on Civil Law Matters</td>
</tr>
<tr>
<td>G 9</td>
<td>Working Party on Information Systems/Data Protection</td>
</tr>
<tr>
<td>G10</td>
<td>SIS Working Party</td>
</tr>
<tr>
<td>G11</td>
<td>SIS-Tech Working Party</td>
</tr>
<tr>
<td>G12</td>
<td>SIRENE Working Party</td>
</tr>
<tr>
<td>G13</td>
<td>Working Party on Police Co-operation (3 sub-committees)</td>
</tr>
<tr>
<td>G14</td>
<td>Europol Working Party</td>
</tr>
<tr>
<td>G15</td>
<td>Working Party on Terrorism</td>
</tr>
<tr>
<td>G16</td>
<td>Working Party on Drug Trafficking</td>
</tr>
<tr>
<td>G17</td>
<td>Customs Co-operation Working Party</td>
</tr>
<tr>
<td>G18</td>
<td>Working Party on Co-operation in Criminal Matters</td>
</tr>
<tr>
<td>G19</td>
<td>Working Party on Substantive Criminal Law</td>
</tr>
<tr>
<td>G20</td>
<td>Working Party on Collective Evaluation</td>
</tr>
<tr>
<td>G21</td>
<td>Working Party on Schengen Evaluation</td>
</tr>
<tr>
<td>G22</td>
<td>Working Party on the Schengen Acquis</td>
</tr>
<tr>
<td>G23</td>
<td>Multidisciplinary Group on Organised Crime</td>
</tr>
<tr>
<td>G24</td>
<td>Working Party on the European Judicial Network</td>
</tr>
<tr>
<td>G25</td>
<td>Working Party on Civil Protection</td>
</tr>
<tr>
<td>G26</td>
<td>Working Party on the Contact and Support Network</td>
</tr>
</tbody>
</table>

For national justice ministries, co-operation in this field is very sensitive because of the implications for national judicial systems and the intrinsic sensitivity of issues relating to migration and internal security. Progress in many aspects of the Amsterdam and Tampere work programme will require hard political choices. The Title 3 and Schengen opt outs are an additional complication for Irish officials. Representatives of the Department of Justice are particularly careful about the role of the European Court of Justice, transfrontier issues,
the extent of police resources that may be involved in any EU agreement, and anything with a legally binding dimension. Distinctions between the common law tradition in Britain and Ireland and the continental system of codification can create difficulties in agreeing definitions and procedures. According to interviewees, 'The UK analysis and fundamental objectives can be useful guidelines but we do not have their political difficulties. Irish problems tend to be legal rather than political.'

The Department of Justice has had to respond to the growing salience of the EU and had to deliver on its prioritisation as part of the government's Presidency Programme in 1996. The Department is a large department with nine divisions, five of which have an EU involvement. These are EU, Northern Ireland and Security, Civil Law reform, Criminal law reform, Immigration, Citizenship and Asylum and Equality. The EU, Northern Ireland and Security division serviced the old K4 Committee and acts as the co-ordinating unit for meetings of the JHA Council. It has four staff dealing with EU matters. Equality, Civil and Criminal Law Reform manage the substantive areas of EU policy that fall within their remit (see Figure 9). This involves them in:

- **Regulation:** the equality division is responsible for the Union's legislative programme on equality.
- **Conventions:** third pillar matters are typically characterised by the negotiation and ratification of inter-state conventions. These must then be translated into Irish law, a lengthy process.
- **Mutual Assistance and Peer review:** the EU has promoted mutual assistance in both criminal and civil law which are subject to formal processes of peer review involving international teams. This raises key questions about the interface between national, EC and international law. There are dedicated groups on mutual assistance, fraud and organised crime.
- **Giving Legal Effect to EU Outcomes:** conventions may require new primary legislation in a particular area. For example, the

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54 In an interview conducted for the purposes of this research at the Department of Justice, Equality and Law Reform.
fraud/corruption Bill presented to the Oireachtas in autumn 1999 gave effect to three international obligations, including an EU convention. Thus the opportunities arising from work in Europe can be used to modernise and drive national law.

Figure 9: Department of Justice, Equality and Law Reform

Source: Department of Justice, Equality and Law Reform website at http://www.entemp.ie/depart.htm
Given the salience of the issues raised in the JHA area, memoranda go to government on all draft conventions and on matters that need government approval. The AG’s office is the most important domestic contact, despite the constitutional immunity of EC legislation, because of the significance of the interface between national and EC law in the criminal and civil areas. In third pillar areas, there is a subsidiary hub of co-ordination involving Justice, the AG’s office and Foreign Affairs, a key player given the important external dimension associated with JHA affairs. The department has adopted a reactive/adaptive approach to managing the Justice and Home Affairs (JHA) dimension of its work. In the pre-Amsterdam era, it relied on having a small coterie of senior officials (one in particular) who was immersed in the process and procedures of JHA co-operation. Ireland’s representative on the K4 Committee shouldered the burden of this field in the Irish administration.

As the remit of the Union expands and the decision rules are modified, the department has had to adopt new strategies for JHA business throughout and has had to adapt to the more fragmented committee structure in this domain. Because of the expansion of activity in this area, the department’s presence in the Irish Representation has grown and more officials have to service the growing number of committees in Brussels. The fragmentation of the field into pillar one, traditional JHA and Schengen makes it more difficult to monitor across the range and to assess when Ireland should get involved in negotiations on those areas for which it has a potential opt out.

This overview of the three main line departments with EU responsibilities underlines the key strategy of internalisation that characterises the Irish system. There are, however, important differences across the departments. The DAF and ET&E offer an illustrative contrast. Both departments have been heavily involved in EU business from the outset, have amassed considerable EU expertise and interact with Brussels on a daily basis. The DAF had, however, a much more clearly articulated and executed strategy for the projection of their preferences in the EU arena. The DAF is highly targeted and proactive, working from the preparatory phase with desk officers in the Commission and through the placement of national experts in DG6. This is followed
by informal and formal contacts through the policy process to the end game of each set of negotiations. Officials in this department ‘think European’ and have European reflexes. The role of the EU in agriculture together with an institutional structure (Special Agricultural Committee) which is run from Dublin rather than the Permanent Representation in Brussels encourages and facilitates Europeanisation throughout the department. The Department of Enterprise, Trade and Employment has as wide-ranging EU responsibilities and is attempting to build up an equivalent proactive strategy. The decision to abolish its EU section followed by an internal debate on the merits of this decision reflected an uncertainty about how best to manage EU business. The difficulties faced by the department arose partly from the fragmented and multifaceted nature of the EU business serviced by the department. Unlike the DAF with its single Council and dedicated committee structure, ET&EB follows the work of five Councils and their preparatory working groups, has the largest staff of any line department in the Representation Centre and is represented in Council by three different ministers. The challenge for this department was to adopt a structural and process approach to EU business that follows clear principles of policy and of strategy. By December 1999, following careful internal deliberation, the department established an EU Affairs section and re-established the Committee on EU Affairs, with a very clear mandate. The enhanced structures and processes have given the department a strong EU focal point for the first time. The goal is to change the old EU strategy moulded by internalisation and a fragmented sectoral approach to a proactive approach.

3.5 Managing horizontally across the system
Because of the nature of the Union’s policy process and the spread of its policy competence, all member states have developed structures and processes for horizontal co-ordination. The Economic Division in Foreign Affairs and the International Secretariat of the Taoiseach’s department have a particular responsibility for the management of cross-cutting issues. In addition, there are a number of different structures that promote coherence in Ireland’s EU policy, most notably, the role of the Permanent Representation in Brussels, EU co-ordination units in most government departments, inter-departmental committees
and the role of a Minister of State for European Affairs. (See Figure 10 for an overview of the Irish system.)

*Figure 10: Irish institutions in EU policy making*

**EU preparation**   **Irish institutions in EU policy making**   **EU decisions**

- Commission
- Government
  - Taoiseach's Office
  - MSG
  - Senior Officials Group
- DFA
  - Economic Division
- Line Departments
- Coreper
- Council of Ministers
- EP
- European Affairs Committee
- Commission Expert Committees
- Agriculture
- Finance
- ET&E
- Justice
- Council Working Groups

**Committees**
In all of the member states, committees at different levels in the hierarchy play a central role in inter-ministerial co-ordination of EU affairs (see Figure 11). They are the main institutional devices for formal horizontal co-ordination. The member states differ, however, in the number of committees, their remit, level of seniority, role and membership. Between 1973 and 1987, the key interdepartmental committee in Ireland was the *European Communities Committee*, chaired
by the Secretary General and later by the head of the Economics Division in the Department of Foreign Affairs. This Committee met at senior official level to address the major issues relating to Ireland on the EU agenda. It met once a month and was usually attended by the Permanent Representative in Brussels. In 1973 a number of inter-departmental policy committees were established but they did not become a permanent feature of the policy process. The European Communities Committee was seen as generally very effective by those who participated in its work. However, it did not meet at all between 1985 and early 1987, at an important time (Fontainebleau European Council, Milan European Council) in the development of the EU.

Figure 11: EU Committees in the Irish System

<table>
<thead>
<tr>
<th>Period</th>
<th>Committee</th>
<th>Chair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Accession</td>
<td>European Communities Committee</td>
<td>Department of Finance</td>
</tr>
<tr>
<td>1973-84</td>
<td>European Communities Committee</td>
<td>Department of Foreign Affairs</td>
</tr>
<tr>
<td>1985-87</td>
<td>No meetings of the committee</td>
<td></td>
</tr>
<tr>
<td>1987-90</td>
<td>European Communities Committee</td>
<td>Geoghegan-Quinn (Minister of State)</td>
</tr>
<tr>
<td>1988-90</td>
<td>Ministers and Secretaries Group</td>
<td>Haughey (Taoiseach)</td>
</tr>
<tr>
<td>1989-90</td>
<td>Ministerial Group on the Presidency</td>
<td>Haughey (Taoiseach)</td>
</tr>
<tr>
<td>1992-94</td>
<td>European Communities Committee</td>
<td>Kitt (Minister of State)</td>
</tr>
<tr>
<td>1994-97</td>
<td>European Communities Committee</td>
<td>Mitchell (Minister of State)</td>
</tr>
<tr>
<td>1994-</td>
<td>Ministers and Secretaries Group</td>
<td>Bruton/Ahern (Taoiseach)</td>
</tr>
<tr>
<td>1994-</td>
<td>Senior Officials Group</td>
<td>Department of the Taoiseach</td>
</tr>
<tr>
<td>1998-99</td>
<td>Expert Technical Group</td>
<td>Ahern (Taoiseach)</td>
</tr>
<tr>
<td>1999-</td>
<td>Cabinet Sub-Committee Group of Senior Officials</td>
<td>Ahern (Taoiseach) Department of the Taoiseach</td>
</tr>
</tbody>
</table>
In March 1987, the Taoiseach, Charles Haughey, re-established the European Communities Committee, with Máire Geoghegan-Quinn, Minister of State for European Affairs, as its chair. This altered the system in two senses. First, the secretariat for this committee moved from Foreign Affairs to the Taoiseach’s department and secondly, it was the first time that a committee involved senior officials with a ministerial chair. The new arrangement signalled the growing involvement of the Taoiseach’s department in this field and the shift away from the pre-eminence of Foreign Affairs. This was followed by a period of institutional innovation with the establishment of a ministerial group on the presidency in 1989 to prepare for Ireland’s 1990 presidency of the Council. The Geoghegan-Quinn Committee continued to operate and was in charge of the logistical arrangements for the presidency. In addition to the presidency group, Mr Haughey established a Ministers and Secretaries group (MSG) in 1988 to prepare Ireland’s national plan arising from the major expansion in EU monies through the structural funds. Ministers and the Secretary Generals from the key departments with an interest in the plan met on a weekly basis to prepare the national plan, under the chairmanship of the Taoiseach. Once the 1990 presidency was over and the national plan in place, there was no standing mechanism for interdepartmental co-ordination until 1992 when Albert Reynolds took office as Taoiseach. Between 1990 and 1992 there were a number of ad hoc groups but no permanent co-ordination mechanism.

The new Taoiseach re-established the format of the Geoghegan-Quinn Committee by appointing Tom Kitt as minister for state in his department with responsibility for European Affairs. The remit of the Committee was to focus on the major strategic aspects of EU business that involved a number of departments. The secretariat was provided by the Department of the Taoiseach although the papers for meetings were drafted by Foreign Affairs and the relevant home department. This Committee (European Co-ordinating Committee) continued its existence under the next government when it was chaired by the Minister for State for European Affairs, Gay Mitchell. It was augmented by the re-establishment of a Ministers and Secretaries Group (MSG) in 1994 with a remit to plan and oversee the 1996 presidency. The group was chaired by the Taoiseach, and consisted of
the ministers and secretaries of the departments of Foreign Affairs, Finance, Social Welfare, Justice, Enterprise and Employment and Agriculture. The Minister of State for European Affairs was also a member and other ministers would attend when appropriate. The Irish permanent representative attended on occasion. The secretariat was provided by the Taoiseach’s department. The MSG became the focal point of co-ordination in the Irish system during 1996 when it met thirteen times, an extremely intensive round of meetings given the seniority of the participants. The MSG format continued under the incoming FF/PD government in 1997 and was described as having a ‘general supervisory role in relation to EU policy’ by the Taoiseach, Bertie Ahern, in reply to a Dáil question in September 1998.\(^5\) The intensity of MSG meetings declined to 6 in 1997 and 7 in 1998. Its work was prepared by a senior officials group at assistant secretary level that produced papers for consideration by the higher level group. The MSG has not met at all in 1999 because its work was superseded by a cabinet sub-committee (number of meetings unknown) and an Expert Technical Group that focused on the Agenda 2000 negotiations up to the Berlin Summit in March. The expert Technical Group met seven times between January and the Berlin European Council to develop a detailed negotiating strategy for the end phase of the Agenda 2000 negotiations. The group consisted of four key officials from the Departments of Foreign Affairs, Finance, Enterprise, Trade and Employment and Agriculture and Food who were involved in the Agenda 2000 negotiations from the outset. This group was chaired by the Taoiseach and serviced by the head of the European and International Secretariat of his department. It was unusual in the Irish system in that it consisted of the government’s most senior member and four line officials (assistant secretary level/principal officer level) from the relevant ministries. The Expert Technical Group was in essence a task force which brought together the officials who had been tracking the Agenda 2000 negotiations since July 1997 and the Taoiseach. It is not clear that the cabinet committee which was established at the same time consisting of the Taoiseach, Tánaiste, Ministers for Foreign Affairs, Finance and Agriculture met with any

\(^5\) [http://www.irlgov.ie/debates-98/30sep98/sect1.htm](http://www.irlgov.ie/debates-98/30sep98/sect1.htm) (Question 17485/98)
great frequency, if at all, during this time. Following the conclusions of the Agenda 2000 negotiations, the government has established a new cabinet committee on EU Affairs that held its first meeting in the lead-up to the Cologne Summit (June 1999). The committee has continued to meet and is serviced by a group of senior officials (assistant secretary level). The latter creates sub-committees to deal with specific issues on a needs basis.

The Irish system does not have a well-established set of standing inter-departmental policy committees to deal with policy issues that cross departmental boundaries. Committees are established on a needs basis when the EU or domestic agenda requires it. In the 1990s there have been interdepartmental committees to manage the various Inter-Governmental Conferences, the EFTA and eastern enlargements, and Agenda 2000. These committees are generally chaired by the Department of Foreign Affairs and lapse when the agenda moves on. All of these committees meet only at official level and do not formally integrate interest groups as is the case in a number of other member states, notably Denmark, Finland and Austria.

Co-ordination units in domestic departments
The analysis so far underlines the fact that there is a high degree of 'internalisation' of EU business in Irish central government both in terms of individual departments and divisions within them. The EU is crafted onto those units responsible for national policy except when EU policy itself looms sufficiently large as to warrant specialised divisions. Apart from the Departments of Arts, Heritage Gaeltacht and the Islands, and Defence, respectively, all departments have co-ordination units and designated members of staff who are the juncture at which EU documentation formally enters each department.\textsuperscript{56} The Department of Arts, Heritage, Gaeltacht and the Islands is in the process of establishing an EU co-ordinated unit as part of a newly established Corporate Development Division. These co-ordination units may have an exclusive EU focus or may in fact incorporate other international or policy functions. They range in size from the largest in Agriculture and

\textsuperscript{56} A survey was conducted of all EU co-ordination units to establish what the role of these units was and what the main pathway of information was.
Food (DAF) with nine staff, to Tourism, Sport and Recreation, with just two. The seniority of staff in the units varies, a useful indicator of the priority accorded to the task. The unit in the Attorney General’s Office (AG) is headed by a deputy secretary which is the highest rank found in these units and a further five departments have units with a principal officer at the head. The remainder are the responsibility of an assistant principal, a higher executive officer (HEO) or an executive officer (EO). The units are responsible for circulating EU material, with circulation lists of between two and sixty. Most departments operate on the basis of selective lists depending on the kind of information received. Apart from the department of the Marine and the Department of Sport, Tourism and Recreation, all other units are engaged in daily circulation of material. The material comes from the Commission, the Council Secretariat, the EP, and the Official Journal. A number of departments use the Internet as a source of additional EU information. Only two home departments, Agriculture and Food and Justice, have established department-wide procedures for the circulation of reports from officers who have attended meetings in Brussels. This means that in most departments, reports from working groups tend to stay within the sectoral division responsible for a particular area of work. The key role of each department’s representatives in the Representation in Brussels is highlighted by the fact that in the questionnaire, the departmental attaché/s is cited as the most important conduit of EC information. Only two departments/units, the Marine and the AG’s Office, cite the Department of Foreign Affairs as being the main source of EU related information. The latter can be explained by the fact that all material pertaining to the ECJ comes to the AG’s office from Foreign Affairs. The centrality of the Brussels based staff draws attention to the strong vertical links between the line departments and their officials in Brussels. For those without a representative in Brussels, the DFA is the main source of information. The Department of the Taoiseach identified the DFA as the key source of EU information. This further underlines the key link between Foreign Affairs and the Taoiseach’s department in the management of the Taoiseach’s role in the EU system. The DFA was also ranked as the second most important source of information by all departments, with the exception of Agriculture and Food (DAF) which is well linked to all of the main
EU institutions. The units act as a post-box in relation to the circulation of material but a number of them have an additional role in retaining files of Council meetings.

For most of these units, their central role is preparing/co-ordinating briefings for meetings in the Council system. Only the units in the Marine, and Tourism, Sport and Recreation do not exercise this role. The level of involvement differs from department to department. The Department of the Taoiseach is only involved at the level of the European Council and the unit in the Department of the Environment and Local Government has responsibility for Council meetings. Many of the others are involved in getting briefing material organised for COREPER and other high level groups such as the K4 Committee and the Special Agricultural Committee. The units in the Departments of Agriculture and Food, Finance, and the Revenue Commissioners are also involved in briefing material for working groups in the Council. A number of departments mention briefs for MEPs as an additional task undertaken by these units. The role of the units in the preparation of briefs is essentially to collate material from the line divisions, to fill gaps in the briefing material received from colleagues and to shorten material if necessary. The units tend not to generate the briefing material themselves but do have a role in keeping other units advised of issues arising in the Council working groups and in picking up on horizontal issues that do not fall within the competence of any of the specialised units. Only one unit appears to have a role in monitoring the transposition of directives and in answering formal letters from the Commission concerning late implementation. None of the units appears to have a role in tracking the participation of individual officials in Commission groups at the pre-negotiating phase of the process. It is not clear if reports are written about meetings at this stage of the process or if they are circulated by the individual officials. These units, with the exception of the European and International Secretariat in the Taoiseach’s department and the Economics Division in Foreign Affairs, act essentially as post boxes. None of them appears to have the resources remit, or inclination to act as a think-tank on EU issues or to initiate debates/reviews within the individual ministries of strategic EU issues. None of them is proactive in reviewing departmental systems for the management of EU business. The units
are weaker than their counterparts in other member states both in human resources and responsibilities.

Ministerial responsibility
Having a minister of state responsible for EU affairs, attached either to Foreign Affairs or the Taoiseach’s Department or both, became a standard feature of Ireland’s management of EU business in the 1980s and 1990s. Such an appointment strengthened ministerial resources for representation at EU level and in the national arena. It provided an additional representative for Council meetings and a minister who could be identified in the public’s mind with Europe. The absence of such a post in the current administration is a gap in the management of EU business. In fact all other member states have Ministers or State Secretaries for EU Affairs.

The Permanent Representation of Ireland to the EU
The Irish government set up an office in Brussels in 1967 when Ireland formally accredited a full mission to the EU in preparation for accession negotiations. On accession, the mission became Ireland’s Permanent Representation to the EU. From the outset, the representation was distinctive in that it drew its staff from Foreign Affairs and from a broad range of domestic departments. The Departments of Finance, the old Industry and Commerce, and Agriculture respectively were in the representation, establishing contacts with the Commission long before accession negotiations commenced. Another distinctive feature was that it had a higher complement of senior to junior staff than any other overseas mission. The ratio of senior staff (ambassadorial/counsellor) to junior staff is about 60:40. In essence the representation is a microcosm of the national administration in Brussels with a high-ranking diplomat at its apex. It is a central node in Ireland’s participation in EU policy making although basic policy making on EU matters per se remains a Dublin based activity. The Irish Representation is relatively small, with some thirty-four staff with diplomatic rank in 1999. Increases in the size of the representation are related to the presidency and to the addition of new departments in the representation. In 1973, six departments had representation in Brussels – Foreign Affairs, Finance, Industry and Commerce,
The Netherlands and Finland

Before turning to an assessment of the structures and processes characteristic of the Irish system, a brief overview of the Dutch and Finnish systems is included to underline the variety of ways in which EU business is managed. Both these states have adopted, like Ireland, a strategy of internalisation, but have done so in a different manner. This is not intended as a comprehensive examination of these systems, rather its purpose is to highlight the manner in which Ireland’s dominant policy style differs from the policy style found in both these states. Both were chosen because they are northern member states that have not experienced deep political problems in adjusting to the EU. Denmark and Sweden have had far greater difficulty in adjusting to membership because of a sceptical public opinion, and Belgium has been transformed into a federal system.

4.1 The Netherlands
The Netherlands, as a founder member state in the EU, has lengthy experience in the management of EU business and has had to adapt to the deep institutional, policy and political changes that have characterised European integration. In the mid-1990s, the Dutch reached somewhat of a turning point in their relations with the EU which altered the positive profile that the EU had in the Netherlands and led to considerable questioning within the Dutch administration about its management of EU business. As a result of the 1992 Delors 11 package, the Netherlands moved from being a net beneficiary of the EU budget to becoming, in per capita terms, a major contributor. As a consequence, the Dutch finance ministry adopted a very negative stance towards EU expenditure programmes and was one of the most vocal of the ‘net contributors’ club in the lead-up to Berlin, arguing for budgetary stabilisation and the introduction of a generalised rebate mechanism. Three other events in the 1990s coloured the Dutch approach. During the presidency of the Council in 1991, the Dutch
experienced a major diplomatic failure when their pro-federal draft treaty failed to get the support of the other member states. The meeting of the General Affairs Council (GAC) at which the Dutch presidency was humiliated is still known in Dutch EU lore as ‘Black Monday’. Subsequently in 1993/94, the former Dutch prime minister Lubbers failed in his bid to become the Commission President. Then in 1996, following a ECJ verdict concerning the prior notification of national rules concerning product specifications, the Dutch found that there were some 350 national rules that had not been notified, as required by EC law, to the Commission. Emergency measures were introduced in the Dutch parliament to correct the problem.\(^{57}\) For a long-standing member state these events were a shock to the national system that prompted a review of how EU business was managed. The events highlighted political and administrative weaknesses that led to procedural and institutional change.

A number of key features of the Dutch system of government influences how the EU is managed. First, all Dutch governments are coalitions and ministers from different parties fight coalition politics in office. Second, the Dutch system works on the basis of ministerial autonomy with no hierarchy between ministries. The prime minister does not have the authority to impose his will on the system. Ministerial autonomy is based on the principle of non-interference in the policy affairs of another ministry. This principle ends when EU policy reaches the cabinet because Dutch foreign policy, unlike domestic policy, is subject to collective responsibility. Coalition government and ministerial autonomy lead to a high level of segmented policy making in the Dutch system. In an effort to overcome this tendency the Dutch system is characterised by a strong committee system which tries to give coherence to Dutch EU policy.

In all Dutch ministries there are central units responsible for EU/International policy. In some ministries, notably Agriculture, Economic Affairs, Environmental Affairs and Finance, they have the status of a full directorate, whereas in others they are small divisions or bureaux. In the Ministry for Economic Affairs, for example, the Unit

for Internal EEC Affairs has a complement of 10 staff, and this is one of three units in the Directorate-General for Foreign Economic Relations (see Figure 12). There is a series of inter-ministerial committees – the Review Committee on new Commission Proposals (BNC), the Co-ordination Committee (Co-Co), the Co-ordination Committee at higher civil service level (CoCoHan). All of these committees are chaired by the Directorate Integration Europe, in the Dutch foreign ministry. All committees are attended by all departments. Co-Co, consisting of the unit heads of the EU divisions in the ministries, dates from the early 1960s. CoCoHan, consisting of the secretary generals of the ministries, the permanent representative and the state secretary for European Affairs, was established in response to the 1991-92 ‘Black Monday’ experience. It has a specific brief to prevent policy failure and to settle conflicts before they go to Cabinet. CoCo and CoCoHan are responsible for preparing national positions for Council meetings. The BNC was established in 1992 as an inter-ministerial committee to assess the legal and financial implications of all Commission proposals and to undertake a ‘subsidiarity’ test. In addition, the Dutch system holds formal ‘instruction meetings’ every Tuesday to transmit negotiating positions to the Dutch Permanent Representation for meetings of COREPER. The Dutch Council of Ministers (cabinet) has a standing committee on International and European Affairs chaired by the prime minister to deal with EU business. A critical role at political level is played by the Secretary of State for European Affairs.

The Dutch committees meet frequently on the basis of a well-established calendar. The BNC meets once a month in the Ministry for Foreign Affairs to establish who is responsible for new Commission proposals and to draw up a one page fiche outlining who is responsible for the negotiations, what the likely financial and legal consequences are and to establish in broad terms if the Netherlands is in favour of the proposal. This Committee is more operational than strategic and amounts to a process of negative co-ordination. When an item has reached the highest level of agreement at working party level, the issue moves to the filtering process involving COREPER or other high level committees. In the Netherlands, instructions are formally sent to the representation from the Hague following a meeting held there
every Tuesday. If ministries cannot agree, their objections are all forwarded to Brussels so that the permanent representative is aware of the inter-ministerial battles in the Hague. This means that 'the national position is not determined from the perspective of what would be the best position to defend in Brussels, but is based on bureaucratic politics in The Hague.'\textsuperscript{58} In preparation for Council meetings, Co-Co meets once a week and is prepared by Foreign Affairs. The chair is taken by the State Secretary for European Affairs so that the political and administrative levels intersect. This level is responsible for ensuring that interdepartmental conflicts are resolved and that clear national positions are identified. Following problems of implementation, the CoCo reviews implementation four times a year. As CoCoHan, the Committee meets once a month to discuss more strategic matters. The Cabinet Committee on European Affairs meets every two months, approximately.

\textbf{4.2 Finland}

As a relatively new member state, the Finnish system is still in the process of settling down, although the presidency (second half 1999) can be seen as the end of its apprenticeship in the system. At the core

\textsuperscript{58} Schout A., 1999, op. cit.
of the Finnish system is the Committee for European Union Matters which consists of seventeen senior civil servants representing the ministries, the office of the president, the Chancellor of Justice and the Bank of Finland. Until mid-2000, the Committee was chaired by the Secretary of State of the Ministry for Foreign Affairs. It dealt with issues on which agreement has not been reached at the level of the sub-committees and with major strategic issues. The foreign ministry provided the Secretariat for the Committee for European Union Affairs and is represented on all of the policy committees (39 in all). The sub-committees include civil servants and representatives of the social partners. There are two important horizontal committees, the sub-committee for budgetary matters and the sub-committee for community law. At cabinet level there is a Ministerial Committee for European Affairs which is chaired by the prime minister and includes the Minister for Foreign Affairs, European Affairs, Trade and Industry, Finance, Justice, Agriculture and Foreign Trade. A separate Committee of Foreign and Security Policy is chaired by the president but serviced by the foreign ministry. A small unit to co-ordinate preparations for the 1999 Presidency was established in the prime minister’s office in 1996. Finland has a very large Permanent Representation with a staff of eighty. From 1995, a computer-based inter-ministerial data base – Eurodoc – keeps track of documents coming from the Union and cases at the Court of Justice.

Following the Finnish presidency in the latter half of 1999, a decision was taken to move the co-ordination of EU policy from the foreign ministry to the prime minister’s office (see Figures 13 and 14). This has led to the creation of a Government Secretariat for EU Affairs which is under the control of the prime minister and a minister for European Affairs. The secretariat has 13 functional divisions dealing with the major areas of EU activity including a separate section for Coreper II and I. All major internal EU policies have a separate section (EMU, CAP, Internal Market, Telecommunications, JHA, and Employment and Social Policy) in addition to two sections dealing with pillar two and the Union’s external relations. In addition to the ministerial level, the secretariat has two senior officials (State Secretary for EU Affairs and Under-Secretary for EU Affairs) in addition to 10 counsellors and three senior officers. The Government Secretariat for
EU Affairs represents a major investment in EU matters at the heart of the Finnish Government.

**Figure 13: Government Secretariat for EU Affairs – Finland**

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<table>
<thead>
<tr>
<th>General Planning</th>
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<tr>
<td>Counsellor</td>
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<tr>
<td>Institutional and Legal Affairs</td>
</tr>
<tr>
<td>Counsellor</td>
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<tr>
<td>Enlargement and External Economic Relations</td>
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<tr>
<td>Senior Officer</td>
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<tr>
<td>Institutional Affairs, Coreper II</td>
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<tr>
<td>Senior Officer</td>
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<tr>
<td>Committee for EU Matters, Coreper I</td>
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<tr>
<td>Senior Officer</td>
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<tr>
<td>Administrative Officer</td>
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<td>Administrative Officer</td>
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<td>Secretary, Administrative Officer</td>
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<td>Office Secretaries</td>
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<tr>
<th>External Relations, CFSP and ESDP</th>
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<tr>
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<tr>
<td>Economic and Monetary Policy</td>
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<tr>
<td>Counsellor</td>
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<tr>
<td>Internal Market</td>
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<tr>
<td>Counsellor</td>
</tr>
<tr>
<td>Environmental Policy, Regional and Structural Policy</td>
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<tr>
<td>Counsellor</td>
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<tr>
<td>Agricultural Policy</td>
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<tr>
<td>Counsellor</td>
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<tr>
<td>Telecommunications and Transport Policy</td>
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<tr>
<td>Counsellor</td>
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<tr>
<td>Justice and Home Affairs, Transparency Counsellor</td>
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<tr>
<td>Employment, Social Policy, Education and Culture</td>
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<tr>
<td>Counsellor</td>
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</tbody>
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Direction of the Council of State Secretariat for EU Affairs
State Secretary for EU Affairs, State Under-Secretary for EU Affairs
This short synopsis of the approaches to the management of EU business in the Netherlands and Finland highlights the distinctiveness of the Irish system. In all three states, the line ministry is the 'lead ministry' in relation to the development and articulation of the national position on a particular EU proposal but there are different institutional mechanisms/processes to ensure coherence and consistency between policy fields, and different degrees of autonomy accorded to the domestic ministries. The Finnish system has invested considerable capacity in the prime minister's office in the aftermath of the Finnish
presidency. The Irish system, in comparison with the other two, is much less deliberative and system bound. It is characterised by an extremely unsettled pattern of inter-departmental committees, particularly at the senior level. The inter-departmental structures of co-ordination are ad hoc. The Irish system has no formal mechanism to vet incoming Commission proposals, to prepare a preliminary fiche, to issue instructions to COREPER, or to prepare for individual Councils. To sum up, the Irish committee system is less elaborate, more unsettled and the frequency of meetings is less than found in the other member states.
Assessment of the Irish system

The structures and processes that have evolved to manage Ireland’s EU affairs reflect the domestic political and administrative culture. The model of ‘internalisation’ rather than ‘containment’ suits Ireland’s status as a small state and leads to a high degree of congruence between the Irish system and the segmented/networked decision-making systems in Brussels. It could be argued however, that the very fact that EU policy making is so fragmented requires more effective co-ordination and prioritisation in Dublin. Among a majority of Irish officials, the system for managing EU business is seen as largely effective, and is regarded as offering lessons for domestic policy making. The report by a group of Irish assistant secretaries who analysed public sector reform in Australia and New Zealand, concluded that ‘one area which is quite well co-ordinated is that which concerns relations and issues at EU and international level’.\(^\text{59}\)

The report also acknowledged the beneficial influence of the structural fund planning and evaluation processes on domestic policy making. In 1997 the Committee for Public Management Research commissioned a study on the 1996 Irish presidency in order to identify the management lessons that could be gleaned from the success of the presidency for the future management of cross-cutting issues in central government.\(^\text{60}\) The management of the presidency was identified, in the study, as an example of the successful management of a system wide issue by the Irish service. An analysis of the dominant policy style in managing Ireland’s EU business will enable us to identify weaknesses as well as strengths in the Irish system. (See

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\(^{60}\) Humphreys P. C., 1997, op. cit.
Figure 10 in chapter 3 for an overview of Ireland’s system for managing EU matters.)

5.1 The dominant policy style
States can achieve the different facets of co-ordination identified in the amended version of the Guttman scale in a variety of ways. In order to characterise the Irish style, it is useful to use a threefold categorisation of co-ordination styles – centralisation, formalisation, and socialisation. All systems deploy a mix of these three processes of co-ordination but one approach will usually dominate. A system based on centralisation involves ‘top down’ processes of co-ordination with issues pushed up the hierarchy for arbitration, resolution and strategic analysis. Such a system would equate to the containment model identified earlier. A system based on formalisation is procedurally strong with clear bureaucratic procedures and systems, established routines and policy guidelines. A system based on socialisation relies on the development of common understandings and norms. It rests heavily on personal contacts and ease of communication. Ireland’s management of EU business utilises all three approaches but the dominant mode of co-ordination on a day to day and week to week basis is, undoubtedly, socialisation.

Centralisation: The Irish system, like all systems of central government, has an important hierarchical element with the cabinet at its apex, and within each ministry the minister and senior civil servants form the senior management. The cabinet is the centre of political authority in the Irish system. The EU system, with the European Council and the Council of Ministers, by definition pushes contentious issues up the hierarchy and demands a degree of centralisation at national level. Formal briefings only happen in the Irish system when a dossier has reached the Council phase and even then the individual ministries are not subjected to formal interdepartmental committee meetings. There is little inter-departmental involvement in preparations for Council meetings as each department is left to its own devices. Ireland does

not have an equivalent of CoCo or the Finnish Committee for European Affairs. This means that the sectoral interest or departmental line is not subject to strong countervailing pressures or arguments in the development of policy positions. Nor does the Irish system require continuous arbitration between ministries at a political level. It is rare in the Irish system for departments to fight their EU policy battles out in cabinet. Based on the interviews conducted for this study, it is clear that officials at the operating core (PO level) will try to sort out their differences at this level and would consider that they have failed if they had to push too many briefs up the hierarchy. Interviewees suggest that the lead department will usually win departmental battles unless Foreign Affairs, Finance or the Taoiseach's department adopt a countervailing strategy. Foreign Affairs is unlikely to fight lone battles against a home department. When advising the Taoiseach on cross cutting issues, there is a tendency to ensure that there is one line and that inter-departmental differences are resolved before advice to the Taoiseach is offered.

The cabinet addresses EU matters, much as it addresses domestic policy issues, essentially on the basis of memoranda to cabinet from the sponsoring minister. The cabinet is kept informed of all big EU dossiers through memoranda. Standing cabinet sub-committees, an integral part of contemporary government in Europe, are not that prevalent in the Irish system. Although ad hoc committees are established on EU issues in Ireland from time to time, they rarely if ever meet and are discontinued when the agenda moves on. The usual explanation is that the 'multiple calls on ministers' time makes it difficult for such committees to meet with regularity.62 The weakness of the core executive in Irish government means that the cabinet can be side-stepped, as noted above when the Taoiseach, Bertie Ahern, set up an Expert Technical Group consisting of himself and four officials to oversee the final stages of the Agenda 2000 negotiations. This was a very practical response to a highly political and complex negotiation. The reliance on agenda led ad hoc institutional devices underlines the adaptability of the Irish system but also highlights the under-development of the core-executive at the heart of Irish government.

62 Byrne D., et. al., 1995.
The Irish system can prioritise and be strategic when necessary on the big dossiers but it is a process the takes place largely within the system. Departments rarely consult outside on the issues. There is continuous tracking of the EU agenda and scarce resources are devoted to key priorities when the need arises. Over the last five years, there are three different examples of what might be described as effective 'centralisation' of EU issues in the Irish system. These were the management of the 1996 presidency, the related management of the IGC both during and after the presidency and the management of the Agenda 2000 negotiations. In the case of the presidency, the Irish system deployed a number of flexible and very effective tools of co-ordination, such as intensive ministerial and cabinet involvement, interdepartmental committees, particularly the Ministers and Secretaries Group, departmental liaison officers, specialised training, management and policy groups, the development of procedural manuals and delegation to the Permanent Representation63 (see Figure 15).

Figure 15: Structures for the Management of the Presidency

<table>
<thead>
<tr>
<th>Year</th>
<th>Title of body</th>
<th>Person/organisation in the chair</th>
</tr>
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<tbody>
<tr>
<td>1994</td>
<td>European Co-ordinating Committee</td>
<td>Minister of State Mitchell</td>
</tr>
<tr>
<td>1994</td>
<td>Interdepartmental Co-ordinating Committee, Departmental Presidency Co-ordinators appointed</td>
<td>Department of Foreign Affairs</td>
</tr>
<tr>
<td>1994</td>
<td>Ministers and Secretaries Group</td>
<td>Taoiseach Bruton</td>
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<tr>
<td>1996</td>
<td>Interdepartmental Planning Group</td>
<td>Department of Foreign Affairs</td>
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</table>
The management of the presidency, it should be noted, was much more formalised and organised than is normal for the management of EU business in Ireland. The question could well be asked as to why the very effective system deployed during the presidency was not maintained - albeit on a reduced scale - as a permanent feature of Ireland’s management of EU affairs.

The Agenda 2000 negotiations were managed by an interdepartmental Agenda 2000 Group. The group was chaired by the DFA which began work in 1997, there was intensive contact with the two Finance representatives and the senior diplomats in the representation, the Ministers and Secretaries Group which met eight times in 1998 and an Expert Technical Group that met seven times in the lead-up to Berlin. Unlike most other less cross-cutting negotiations, the DFA co-ordinated briefings for COREPER and Council on Agenda 2000, with input from Agriculture and Finance. The Department of Enterprise, Trade and Employment appeared to be outside the inner loop for this negotiation. Excellent links between Dublin and the representation in Brussels led to a high level of coherence in the management of the Irish position regarding Agenda 2000. Throughout the negotiations, there was careful monitoring of the positions of the other member states and the Taoiseach engaged in a very intensive round of bilaterals in the lead-up to Berlin. Within all of the departments managing Agenda 2000, there were very few people dealing with this set of negotiations, which meant that those involved had to carry a very demanding workload for the duration of the negotiations. Given the change in Ireland’s socio-economic position and pressures on the EU budget, the outcome in Berlin (March 1999) was more favourable than might have been expected at the end of the Austrian Presidency in December 1998.

The management of two other issues while the Agenda 2000 negotiations were in full swing – the duty free campaign and the decision on regionalisation – was not particularly effective and displayed a lack of adequate prioritisation at political level. The campaign on duty free was by any standards a ‘high decibel’ campaign in which Ireland was certainly to the fore. Considerable official, ministerial and diplomatic resources were utilised by Ireland in an attempt to reverse the 1991 Council decision on the abolition of duty
free. It failed despite the fact that it had garnered the support of the large member states and all but one state would have been willing to give a stay of execution. A key feature of the EU governance is highlighted by this failure – it is extremely difficult to reverse a decision of the Council because of the ‘lock in’ character of the *acquis communautaire*. This is one of the main strengths of the EU as a system of collective decision making. Lock-in is extremely important to small states as it protects them against the whims of larger and more powerful states. Was it wise, therefore, for the Irish system to allow itself be captured by the ‘duty free’ lobby? Was the sectoral interest sufficiently salient when weighed against the dangers of reversing a Council decision, regardless of how unpopular the decision might be? And was it wise to run such a high decibel campaign, with anti-Commission undertones, when Ireland had other more important negotiations in progress? And finally, was it wise for a head of government to campaign so actively against a decision taken by the ECOFIN Council when he was Minister for Finance, albeit when he was absent from the meeting? The answer to all four questions is probably negative given the likelihood of failure and the greater importance of other negotiations. A more integrated and deliberative system of public policy making would have ensured that the wisdom of fighting on too many fronts would have been questioned, at least at cabinet level. Lobbying on a ‘lost cause’ uses up valuable diplomatic and political capacity. The then Commissioner for the Internal Market, M. Monti, was not impressed by the personal nature of the attacks on him during this campaign. He is the commissioner responsible for Competition Policy in the Prodi Commission.

The decision on regionalisation was clearly related to the Agenda 2000 negotiations in that it was a response to Ireland’s changing eligibility for structural fund monies. The merits or other of dividing the country into two regions is not of central concern here, rather the focus is on how the regionalisation decision was made and presented to Brussels. A change of this order should have been signalled to the Commission much earlier than it was to ensure that the proposal was credible and was based on a well conceived development strategy. When asked about Ireland’s regionalisation, the regional affairs commissioner sent out clear signals to the Irish about her difficulties
with what she described as 'subsidy shopping' and she demanded that any proposed regions should 'reflect a distinct administrative reality'. She was rightly fearful that regionalisation was an attempt to maximise receipts from the funds. For the government, the decision on regionalisation proved a difficult nut to crack. It raised considerable debate and conflict within Fianna Fáil as deputies from the non-objective one constituencies were fearful of the public finance implications of the decision for their regions. It took until November 1998 for the government to finally take a decision to divide the country in two. This was months after the Commission published its formal and detailed proposals on the structural funds in March 1998. The decision was taken just before the German presidency was about to take over to manage the final phase of the negotiations. This meant that as Ireland was negotiating in the Council system on the future financial perspective and on the new rules for the structural funds, Eurostat was deliberating on the proposed regionalisation. The late inclusion of Kerry and Clare in the Western region smacked of clientelism and appeared to be driven by the minority status of the government. In the event the government's planned regionalisation was accepted by Eurostat without the inclusion of Kerry and Clare. The decision on regionalisation was a major public policy decision with significant implications for future development strategies and for the allocation of scarce public goods to the year 2006. It deserved a more thorough public debate, a better strategic analysis, and the administrative and political consequences should have been publicly addressed.

*Formalisation:* The Irish system is clearly weakest at this form of co-ordination. There are, of course, established procedures and guidelines for memoranda to government, for dealing with the AG's office, for the circulation of documentation, for channelling formal communications from the Commission and Council, for consultation with the Department of Finance on items that might impact on the national budget and for auditing the use of EU monies. There is extensive consultation in the Irish system but most of this happens in an informal manner via the telephone, and more recently, email. Individual officials tend to consult when they feel it is necessary to do so. The relatively high levels of trust among Irish officials, particularly those working
on EU business, facilitates informal mutual adjustment. If kept informed of developments, departments are content to give the lead department a reasonably free hand.

There is no 'Bible on European Matters' in any department or for the system as a whole. Nor are there sets of guidelines that establish principles and procedures on horizontal matters. In the British system, for example, there is a substantial number of Guidance Notes (some seventy-six) that set out how recurrent items on the EU agenda should be handled and provide a thorough briefing on Council procedures. There are also strong procedures within the British system for reporting the outcome of EU meetings with the extensive circulation of such reports. In Ireland, there is a norm that reports should be written up after every meeting, but the circulation of these reports does not appear to be standardised. Nor is there a central database kept of reports anywhere within the Irish system. The pattern and timing of committee meetings is also haphazard. In most other member states there are weekly 'sweeping' meetings to ensure coherence and consistency in the up-coming negotiations. Irish negotiators at working party level or in COREPER are not issued with very tight negotiation briefs. The MSG has waxed and waned according to the EU agenda. It seems to be re-established whenever there is a major EU negotiation or the presidency to contend with. For example, it met sixteen times in the year of the presidency but only six times the following year. With negotiations on Agenda 2000 in 1998, its tempo built up to seven meetings but it lapsed again in 1999 with the establishment of the Expert Technical Group to plan strategy on Agenda 2000. Cabinet committees have also been periodic and tend not to meet with any frequency, if at all. At the policy level, cross-cutting committees are established on a needs basis depending on the kinds of issues evolving on the EU agenda. Issues requiring cross-departmental debate and deliberation tend to result in a committee, which is disbanded when the agenda moves on. There does not appear to be a centralised monitoring of the transposition/implementation of EC directives with an early warning system to ensure that departments are given

notice that they are in breach of their obligations under EC law. This is a major weakness given Ireland's track record on implementation. Irish officials tend to highlight the value of, rather than any potential problems with, informal systems. Irish officials almost all voice a pronounced dislike of systems driven bureaucratic processes and would not want added formalisation in the system. There is a minority, however, who are concerned by the procedural looseness in the system, particularly as Ireland's position in the system is changing.\footnote{Views differ greatly among those interviewed on the strengths and weaknesses of the Irish system. Remarks such as 'flying well by the seat of the pants' or 'in the game trying to stay alive' offer contrasting views on the Irish system. Among a significant proportion of those interviewed, one found an unease about the future and a desire for more formalisation.}

\textit{Socialisation}: The Irish system's informal effectiveness rests in large measure on socialisation and shared norms. Ireland's size contributes to this in that there are fewer interests to promote and some areas of EU business that are not significant from a national point of view. Size matters also in other ways, particularly in perceptions of how the Brussels game should be played. First, there is a clear understanding of the constraints of size. Irish delegations are smaller in number than is the norm for most other member states and many Irish delegations at working party level consist of only one official. This places considerable responsibility on the shoulders of the one delegate – often quite junior (executive officer) – and requires them to work out a strategy for dealing with the substantive issues of the meeting. They are usually faced by delegations that are larger in number with more senior representatives. Inevitably the strategy is defensive and was compared to 'shooting ducks in an arcade game' by one interviewee.\footnote{In an interview conducted for the purposes of this research at the Department of Foreign Affairs.} Put simply, you shoot down the problems one by one but have little to say about the wider thrust of policy. Individual officials tend to work on the basis of trying to shape or re-shape the five or six problem areas in any proposal for Ireland. This is achieved by using an informal checklist of the kinds of issues that need watching. Those that surfaced most frequently in interviews were – existing national law/policy,
impact on the Exchequer either in terms of costs to the national budget or erosion of the tax base, administrative capacity to implement, impact on industry or state sponsored bodies, departmental policy and when relevant, the constitutional licence. This problem solving approach to negotiations means that Irish delegates tend only to intervene on specific issues but have little to say on the broad thrust of policy. After thirty years dealing with the Union, this is a poor result. Second, there is a clear sense that Ireland has limited negotiating margin in that the big countries form what was described as a ‘golden circle’ at the heart of the Union. This means that Ireland must use its negotiating capital and margin carefully. One interviewee illustrated this by arguing that ‘Ireland has fewer guns, and not many bullets so that it must pick its fights carefully.’ Another Irish official suggested that in negotiations Irish officials will not raise issues unless they have a real problem.

From interviews, there appears to be an ease of contact within and between ministries on EU business. Officials throughout the system can easily identify who the necessary contacts are in other departments. The telephone and to a lesser extent email are the main channels of informal contact. The system is also sufficiently informal to allow for ad hoc meetings at short notice. While hierarchy matters, the need to get business done means that there is considerable contact across different levels in the Irish system. In fact the intimacy of the Irish system can be gleaned from the fact that when a particular set of negotiations is mentioned, one is supplied with the names of the four or five key players immediately. Membership of the EU has led to the emergence of a cadre of officials at senior level and at the top of the operating core (PO level) who have developed a deep knowledge of the EU and how it works. Their knowledge relates to substantive areas of EU policy and the ‘rules of the game’ in Brussels. Knowledge of the procedures and positions of the other member states is an immense resource in the Irish system. The core of this cadre is found in Foreign Affairs, Finance, Agriculture and Food, and Enterprise,

67 In an interview conducted for the purposes of this research at the Department of Finance.
68 In an interview conducted for the purposes of this research at the Department of Enterprise, Trade and Employment.
Trade and Employment, although it is now widening to include a number of officials in the Department of Public Enterprise, Justice and the Environment. Although small in number, this cadre constitutes an important and sizeable cross-departmental cadre in the Irish system. It is formed of those who have spent time in the Permanent Representation, in EU institutions, or have worked on EU matters at national level. Given the intensive nature of the big package deal negotiations, the officials involved develop very strong ties with each other. The development of this cadre in the Irish system has occurred because of the demands of the Brussels arena, rather than as a planned human resources strategy in the system. Within and across departments, there is an absence of career planning in the European context and little preparation prior to taking up European responsibilities. Officials from the home departments learn on the job when they arrive in Brussels and do not track their area of responsibility before leaving Dublin. True to their formation as ‘generalists’, they are expected to do the job when they arrive there.

There are several well entrenched norms in the Irish system that influence and guide action on EU business. First, there is a norm that Irish delegations should ‘sing from the same hymn sheet’ and should not fight interdepartmental battles in Brussels. It would be considered a breach of this principle if delegates openly engaged in conflict in front of other delegations. Second, there is a norm, not always observed, of sharing information about developments during key negotiations across the system. By and large information is a resource to be shared not garnered by individual departments. Third, there is a norm of collegiality within the Irish service with relatively high levels of trust between officials in different departments. This is accompanied by an understanding of the different departmental perspectives and where their colleagues are coming from. The high levels of trust are particularly prevalent among the cadre of EU specialists in the Irish system. There is a sense in which this cadre perceives itself as fighting for ‘Ireland Inc.’ in the EU system. Fourth, there is a norm that Ireland should be as communautaire as possible within the limits of the particular negotiations. As stated above this means that Irish negotiators tend not to oppose for the sake of opposing. It also means that Irish negotiators do not want to find themselves in a losing coalition if at all possible.
Between January 1995 and July 1998, Ireland used seven 'no votes' and abstained in a further two votes, a total of nine. Only Finland and Luxembourg with seven each were lower than Ireland. Austria and Greece with ten and Belgium with eleven were also at the lower end of the table. Germany with fifty-two negative votes and the UK with forty-one headed the table (see table 6). The Irish position is based on a view that if a state is part of the winning coalition, it will tend to get a concession at the closing stages of the negotiations but can be ignored if it votes 'no' or abstains.

Table 6: Voting in the Council of Ministers

<table>
<thead>
<tr>
<th>Member State</th>
<th>'No' Votes</th>
<th>Abstentions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>40</td>
<td>12</td>
<td>52</td>
</tr>
<tr>
<td>UK</td>
<td>27</td>
<td>14</td>
<td>41</td>
</tr>
<tr>
<td>Italy</td>
<td>22</td>
<td>8</td>
<td>30</td>
</tr>
<tr>
<td>Sweden</td>
<td>20</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Netherlands</td>
<td>16</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Denmark</td>
<td>15</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td>Spain</td>
<td>9</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Portugal</td>
<td>8</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>France</td>
<td>6</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Greece</td>
<td>9</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Austria</td>
<td>8</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Belgium</td>
<td>7</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Ireland</td>
<td>7</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Finland</td>
<td>7</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>2</td>
<td>5</td>
<td>7</td>
</tr>
</tbody>
</table>


The above assessment of Ireland's dominant policy style in relation to the management of EU business highlights its strengths but also its weaknesses. One of the main strengths is its flexibility. The flexible and adaptive nature of the organisational structures and Irish officials enables the Irish to track the ebb and flow of negotiations and to develop tactics for different stages of the negotiations. The informality,
ease of personal contact and collegiality among the EU cadre in central government leads to a culture of sharing information, consultation and 'singing from the same hymn sheet' in Brussels. The size of the Irish system and the small number of people working on any EU dossier ensures that lines of communication are short. This is a distinguishing feature of EU governance in Ireland. Ministers can and are briefed quickly and informally. Each official tends to have a broader range of EU responsibilities than counterparts in other administrations that militates against the dangers of over-specialisation. Good networking skills and a culture of pragmatism are beneficial in the informal politics characteristic of Brussels and Strasbourg.

The weaknesses of the system reflect the weaknesses of the system of public policy making more generally. The system is too informal and ad hoc given the growing complexities of integration and the changing pattern of EU policies. Because the system is driven by the agenda, important developments are missed. For example, in interviews, it was felt that the Irish system had not adequately picked up on shifts in the Commission's policies on state aids. The Irish system appears barely conscious of the growing importance of the European parliament. The model of internalisation adopted in the Irish system leads to the dominance of the departmental line with insufficient questioning of departmental orthodoxy. For example, the Department of Agriculture's policy on the CAP or the Department of Finance policy on taxation would not be challenged. The system of inter-departmental co-ordination is much too weakly institutionalised to be effective in a strategic sense. It may be effective in relation to particular tasks but not in a strategic sense. Within departments, the EU co-ordination units are not central to getting the department to address European issues or to 'think European'. Individual officials working in specific sectoral areas have considerable autonomy in the development of national positions and are subject to fewer procedural constraints than their counterparts in other member states. The high level of delegation, a consequence of the paucity of human resources, means that the calibre of individual officials matters more than it would in a more tightly controlled system. It also means that the level of detailed expertise that can be brought to bear on any one dossier is limited. Individual officials have developed strategies for
dealing with the lack of resources by focusing on a limited number of areas that they have identified as significant for Ireland. Many officials when interviewed suggested that they were on some occasions ‘flying by the seat of their pants’ or in the game ‘just to stay alive.’ In replying to the questionnaire on the EU Co-ordination Units, one official suggested that the ‘lack of sufficient resources leads to inability to develop more than a superficial knowledge of content of issues that are on Council Agenda’. In many areas Ireland is a taker rather than shaper of EU policy and responds in a defensive rather than a proactive manner.

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69 In interviews conducted for this research at the Department of Employment, Trade and Enterprise and Justice, Equality and Law Reform.
70 In the survey of EU Co-ordination Units conducted for this research, questionnaire number 0120, 1999.
Recommendations

An important facet of contemporary government is the management of Europeanisation and internationalisation. The process of public policy making is no longer contained within the confines of a national system, particularly in the EU, an organisation that has expanded its policy remit and its reach into the domestic system. Adapting to European integration makes demands on individual civil servants and politicians, departments and the governance system as a whole. It implies deep knowledge about the Union’s policy process from the pre-negotiating phase to implementation, in addition to experience of the ‘rules of the game’, both informal and formal. Ireland, together with the other member states, is faced with a changing Union in terms of scale, policy remit and decision making processes. Ireland itself is changing from one of the cohesion states to a country with a more complex economy and society. The interaction and intersection of changes in the EU and in Ireland must be recognised and considered by Ireland’s governing core both at political and official levels. The cadre of officials who manage the interface between Ireland and the EU have a very realistic view of Ireland’s voice in the EU system, including the possibilities and limits of influence. After twenty-five years of membership, they have harvested considerable experience in dealing with Brussels and know how to work the system. There have been no high profile negotiating failures. Paradoxically, past experience may lead to complacency – to taking the EU system for granted – at a time when the EU system itself is undergoing considerable change and Ireland’s place in that system is shifting. The clear recognition among Irish officials that such shifts are occurring should lead to an assessment within the system, of whether new political, administrative and policy capacities are needed. It is the contention of this paper that there are gaps in the management of EU business that should be addressed before the next enlargement. The period leading up to the next enlargement and the negotiations of the post 2006 financial
perspective offer an opportunity to Ireland to re-position itself before the Union becomes continental in scale.

Any review exercise must involve an appraisal of just what kind of role Ireland aspires to play in the evolving European system. The Strategy Statements produced by individual departments all emphasise the centrality of the EU to their work but tend not to follow through with detailed strategies and processes for managing EU business. It is no longer sufficient for Ireland to continue to focus on the limited range of issues that directly affect its interests. Its representatives need to begin to adopt a more proactive rather than defensive approach. This implies active participation in shaping the general development of the European Union and less passive involvement in the major issues facing the EU. It also implies a more careful assessment of the potential impact of developments in individual policy regimes on Irish public policy. This is necessary to ensure that Ireland's presence and visibility as a small state is maintained. All small states must be vigilant about the potential of a de facto directoire emerging in the Union. In adopting a more proactive and systematic approach, Irish policy makers can be confident of the growing strength of the Irish economy and its ability to compete.

This paper does not recommend a radical overhaul of the Irish system for managing EU business because changes are more likely to become institutionalised if they are in tune with the grain of the system. The paper builds an argument for what might be defined as 'practical action'. The contention of this paper is that the management of EU business should be up-graded in line with the wider modernisation of the service as exemplified by the Strategic Management Initiative. The recommendations are grouped under a number of headings.

**Ensuring adequate prioritisation and maintaining a strategic perspective:** The fragmented nature of the Union's policy process and the weight of competing concerns at national level militate against giving EU business adequate attention either at political or senior official level. Devices must be found to ensure that the Taoiseach and senior

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ministers get the time to periodically review EU policy and institutional developments. The weekly meeting of the German cabinet always reviews EU developments, for example. Given the changes that are occurring in the European system and the likely impact of the next enlargements, it is vital that a strategic perspective on the EU is maintained. A strategic perspective must rest on a number of different but inter-related assessments. First is an assessment of what kind of Europe Irish policy makers wish to promote both in terms of economic and political order. Second, it is necessary to review on a continuing basis the impact of the accession of the states of east central Europe on the real economy of the Union in terms of the market, fiscal regimes, structural spending, international trade and agriculture. Third, the Irish system must begin to take into consideration the likely future costs of policy changes when reviewing decision rules and major policy developments. Fourth, difficult questions must be posed about the institutional capacity of the Union and the need to preserve small state presence. Attention must be paid not just to the formal institutional balance but to shifts in informal practices and 'rules of the game'. Fifth, there is a need to assess the development of bilateral relations between the member states of the Union and to see where Ireland may need to strengthen its ties. Irish politicians and officials are not as plugged in as they should be to the growing bilateralism of the EU system.

Responsibility for the functioning of the system: At present, the system is driven to such a degree by the Brussels' timetable, policy problems and the evolving agenda, that there is a limited capacity to review structures and processes on a periodic basis to ensure that they still match requirements. Managing Brussels is a cross-cutting issue and should be recognised as such in the Strategic Management Initiative (SMI). The extensive EU experience and insider knowledge of the cadre of EU specialists in the Irish system is utilised to project Ireland's preferences in the EU but not in assessing the manner in which EU business is handled. Their experience is an invaluable resource that should also be deployed in designing and reviewing systems for the interface between Dublin and Brussels at this critical juncture in Ireland's relations with the Union. Such a review would depend in the first instance on political direction and the commitment of senior
management in the main departments. The Strategy Statement of the Department of Foreign Affairs included a commitment to reviewing and improving the mechanisms of EU co-ordination, in concert with the administration as a whole, and this is a welcome development.\textsuperscript{72} The DFA, in consultation with other departments, should elaborate further on how these stated actions could be followed through. It may be appropriate that the DFA should formally discuss on a bilateral basis with line departments their structures and processes for managing EU business on a pre-arranged timetable. Reviews of horizontal processes, notably the committee structure, are required. Attention should be paid to developing standard guidelines and manuals on how EU business should be conducted. A global monitoring system and a system within each department on the implementation of Directives and ECJ cases is increasingly necessary because of the potential for fines. Reviewing processes and systems is but one aspect of managing EU affairs. Adequate staff resources with the requisite Brussels experience is also crucial. All departments, particularly those with extensive EU business, must nurture a cadre of EU specialists.

\textit{The role of individual departments:} The impact of the EU is so pervasive that each department must be vigilant about how it manages EU business. The holy trinity cannot ensure an effective functioning of the system on its own. The strategy statements of the individual departments clearly acknowledge the importance of Brussels in policy terms but do not devote attention to how interaction with Brussels should be reviewed and enhanced. A key problem in relation to EU business is that all of the line departments, even those with the largest EU role, are torn between a demanding domestic agenda and the EU. Processes are needed to ensure that the EU gets sufficient attention and prioritisation, particularly from senior management in the line departments. In all departments, a member of the senior management board/committee (secretary general, second secretary or assistant secretary) should be formally assigned responsibility for keeping a watching brief over departmental management of EU business and once a year there

\textsuperscript{72} Department of Foreign Affairs, 1998, op. cit.
should be discussion of relevant EU policy developments. This should be buttressed by a periodic review of how interaction with Brussels (Commission, Representation, Council and EP) is managed and how internal EU expertise is deployed. A number of officials with expertise in the representation centre felt that their time in Brussels was not necessarily well utilised when they came home. The principle of the gifted 'generalist' sits uneasily with a system that requires specialisation and expertise. Departments should develop internal guidelines on how EU affairs should be processed and these should be used for the induction of new staff into EU related work.

Overcoming the ad hoc nature of the Irish system: The flexible and informal nature of the Irish system served Ireland well in a smaller and less prominent Union. It is not appropriate to the next phase of integration, although its best aspects should be maintained, when it will be harder for Ireland to have its voice heard and when the balance of EU policies may not be as beneficial. The system needs to become much more systematic in its approach to Brussels. This requires a far higher degree of formalisation in procedures/process than heretofore. Line departments must become much more conscious of the importance of the pre-negotiating phase of the policy process as this has a crucial impact on the outcome. The Department of Agriculture, as a strategy of action, appears to have the most proactive approach to this phase of negotiations with its placement of national experts, its informal links to desk officers in DG6, and its cultivation of relationships in the other member states. The placement of national experts from other departments appears to be driven much more by individual officers wanting time in Brussels rather than a strategy to exert influence. In addition, the underlying attitude in departments that this might be a waste of public monies needs to be overcome. The placement of experts should be seen as part of a strategy to develop and maintain a core of EU expertise in the system and to establish the informal links so necessary for influence in Brussels. The Irish system would also benefit from the establishment of a mechanism to review each Commission proposal before it goes to the Council. The Dutch device of a standard *fiche* assessing the financial, economic, technical and political impact of a proposed directive would be a useful addition to
the system. It would help identify likely implementation problems and would highlight the wider impact of a proposal on other policy areas and fields of legislation.

The interdepartmental and cabinet committee system is far too ad hoc and weakly institutionalised. Greater regularity of meetings at all levels of the hierarchy would ensure a thorough analysis of the major issues. The senior officials group that prepares for meetings of the cabinet sub-committee is a key device which should be fully institutionalised with a regular calendar of meetings. This would bring together the Taoiseach, ministers and their most senior advisors and would ensure that they devote sustained collective attention to EU business on a regular basis. Given the competing demands on the key players, unless structures are in place and are operating, attention will slip. The preparatory group of senior officials is a crucial node in the system as the cabinet sub-committee needs to consider well prepared proposals and positions. It may however require a committee of officials at PO level to prepare its deliberations so that dossiers are processed through the hierarchy.
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