ELECTION BRIEFING NO 35
EUROPE AND THE GENERAL ELECTION IN THE REPUBLIC OF IRELAND, MAY 24 2007

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Key points

• The outgoing Fianna Fáil–Progressive Democrats coalition lost seats, while Fine Gael made the biggest gains in the election.
• However, Fianna Fáil’s Bertie Ahern was returned as Prime Minister (Taoiseach) for the third time.
• For the first time, the Green Party was included in government as part of a three-party Fianna Fáil-Progressive Democrats-Green Party coalition.
• The European Union did not feature at all in the campaign, apart from a short-lived attempt to raise tax harmonisation as an issue.

Background and context

The 2007 general election came during a time of considerable peace, prosperity and stability in Ireland. Since the early 1990s, and with only a slight pause for breath during the economic slow-down of 2001-2003, the economy of the Republic of Ireland had been growing very rapidly, turning the country from a recipient of Objective 1 funding into one of the leading economies in the EU. The economic success was matched by significant progress in resolving the conflict in Northern Ireland. The Celtic Tiger economy and the peace process in the North also coincided with a period of political stability. A coalition between the centre-right Fianna Fáil and the right-wing liberal Progressive Democrats had won the 1997 general election, served a full term of office before winning the 2002 election, and once again served for the full five year term through to 2007.
This was a period when Ireland’s relationship with the European Union had shifted subtly. For a long time, Ireland had been categorised as a country strongly – indeed, almost unquestioningly – in favour of integration, albeit one with very low levels of knowledge and understanding of the Union. It was seen as a country grateful for the extensive funding it was receiving through the CAP, ERDF and ESF. However, the boom caused reverberations for that image of Ireland. In 2001, the Treaty of Nice was rejected in a referendum in the Republic. Although the treaty was subsequently passed at the second time of asking,¹ the debates around this time revealed that it was not just the public who had doubts about the direction of integration. A number of leading politicians from the two government coalition partners expressed reservations about aspects of the EU and the direction of policy.²

This should not be read as an indication that these parties had become opposed to the EU. Indeed, it should be noted that the Fianna Fáil–Progressive Democrat government was in office for a number of important European developments between 2002 and 2007. First of all, they oversaw the successful second referendum on the Treaty of Nice in October 2002. Secondly, Ireland held the presidency of the Union in the first half of 2004, described as “triumphant” (Irish Times) and “one of the most successful ever” (Examiner) after it oversaw the 2004 enlargement and successfully conducted the final negotiations for the Constitutional Treaty. However, the praise given to the presidency did not have an impact on the electoral arena. In the June 2004 European Parliament elections, Fianna Fáil recorded one of their worst-ever votes in a national election, and even saw their main rivals, Fine Gael, win a greater number of EP seats for the first time ever.³

The response from Prime Minister Bertie Ahern was a cabinet re-shuffle. Some of the more right-wing politicians were demoted or slid to one side – notably the decision to appoint Minister for Finance Charlie McCreevy as Ireland’s new Commissioner – while there was an effort to portray a stronger social conscience with the new appointments. This reflected some growing criticisms of the Celtic Tiger. There was a feeling in some quarters that the benefits of growth had been spread too unequally, and that there were mounting problems in a number of areas – particularly in the health service, in the education system, in the housing sector and with the transport infrastructure. There were also some fears of another economic slowdown, with suspicions that the Irish success story might be coming to an end. In the early part of 2007 there had been an increase in redundancies and closures.

Thus, the 2007 general election was an opportunity to comment on the ways in which the boom years had been utilised and debate the future path for the country. Since the

parliament had served a full term, all the parties were very well prepared for the election and had been gearing up for it for months. Indeed, the exact date of the election – Thursday 24 May – had been widely tipped in advance. The parties lined up in two broad blocks. Fianna Fáil (led by Bertie Ahern) and the Progressive Democrats (with a new leader – Michael McDowell having replaced Mary Harney in 2006) were looking to maintain their partnership, though Fianna Fáil kept the door ajar to other parties as well. Against them was a two-party alliance of Fine Gael (led since 2002 by Enda Kenny) and the Labour Party (also with a new leader since 2002, Pat Rabbitte). The outgoing parliament also featured three smaller parties - the Green Party, Sinn Féin and the Socialist Party - and included a large number of independent deputies.

Europe in the manifestos

With such a well-flagged campaign, all parties had their manifestos ready. All the manifestos acknowledged the importance of the EU and expressed some form of support for it. Fianna Fáil identified the Union as “a key catalyst in Ireland’s economic and social transformation” and “the greatest force for peace and prosperity in the history of Europe”. The Progressive Democrats stated that they “strongly support the European Union”, Fine Gael that they “support Ireland’s role in the European Union”, and Labour gave a more general commitment to “a united and peaceful continent of Europe, and a union of states working together to the benefit of all”. Even two traditionally more critical parties expressed some support. The Greens declared themselves “a pro-European party”, while Sinn Féin talked of “critical but positive engagement in the EU”.

The Constitutional Treaty was mentioned a few times. Unsurprisingly, the two parties that had been in government during the negotiations stood by the document they had signed. Fianna Fáil argued “we believe that the Constitutional Treaty represents a balanced response”, and both parties agreed to “promote ratification of the draft European Constitution as a fair agreement”. Both Fine Gael and Labour also re-affirmed their support for the treaty, indicating the broad pro-EU consensus among the major parties. But the Greens argued that the treaty should not be put to a referendum “in a form that has already been rejected by referendums in other member states” and called for a new European Convention to draft a new treaty, which should be simpler, more democratic and transparent, and provide greater social and environmental protection. Sinn Féin were the most critical, asserting that the treaty had been “expressly rejected and must not be reintroduced by stealth or otherwise”.

We can thus already see some limits to the pro-EU consensus among Irish parties. In addition, virtually every manifesto featured some form of criticism of specific EU policies. For example, Fianna Fáil pledged to “maintain a vigorous stance in defence of Irish maritime communities in all EU fisheries discussions”; Fine Gael said that it would

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not support any more agricultural concessions at the WTO talks, declaring that “the EU has gone far enough”; the Greens announced they would “continue to press for greater democratisation of the Union”; Sinn Féin argued that “Ireland’s fisheries have been scandalously sacrificed since EU accession”; Labour advocated a stronger social policy and a “Europe that ensures a better quality of life for all its citizens”.

But there were two areas of EU-related policy which produced widespread comment across the parties. First of all, defence and security policy remained a contentious issue. Most parties remained in favour of neutrality, although that was taken to mean different things in terms of attitudes to the EU. Fianna Fáil’s manifesto stated that “neutrality is central to our vision of Ireland” and repeated the commitment to the ‘triple lock’ mechanism limiting involvement by the Irish Defence Forces in multinational forces. The Progressive Democrats had been critical of Irish neutrality in the past, but were now noting that they had secured a deal “excluding the state from taking part in a common defence policy”. Labour declared: “Ireland should not become party to any mutual defence treaty or any EU agreement for common defence”. The Greens and Sinn Féin were more critical. The Greens were “committed to protecting Irish neutrality from any further moves towards a EU Common Defence Policy or any strengthening of the EU Common Foreign and Security Policy”, while Sinn Féin called for a declaration of Irish neutrality to be included in the Irish constitution as well as more generally promoting “demilitarisation of the EU”. The one exception was Fine Gael, which stated firmly that “Ireland should be a full participant in an EU security and defence arrangement”.

The second major area of policy debate relating to Europe was in relation to taxation. For both Fianna Fáil and the Progressive Democrats, this was an important issue. Fianna Fáil made an explicit commitment to “keep Ireland’s corporation tax at its current level at most and veto any EU proposal which might undermine this”, while the Progressive Democrats vowed to “strenuously oppose any attempt to remove the requirement of unanimity for EU decisions on taxation”. Most other parties simply did not mention this issue, although the Greens did allude to the success of the Scandinavian model of high taxes and high social protection. The one other party which committed itself to “reclaim and protect Irish sovereignty over taxation from encroachment by the EU” was Sinn Féin, although this should be read more in terms of their strong attachment to national sovereignty rather than any support for neo-liberal low taxation policies.

While it is important not to attach too much weight to the manifestos, nonetheless the analysis reveals some interesting features about Irish politics and the European Union. The broad pro-EU consensus among the four major parties is certainly evident. So too is the continuing opposition of smaller parties, notably the Greens and Sinn Féin. However, a certain softening of tone can be discerned in the Green manifesto, in line with recent developments in the party. Neutrality remains a sensitive issue, but most parties have found some way of reconciling a commitment to neutrality with participation in the EU.

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Perhaps the most significant thing to note is the stance on taxation adopted by Fianna Fáil and the Progressive Democrats. These two parties share a preferred vision of how the EU should develop – it should not impinge on national prerogatives unless absolutely necessary. Fianna Fáil’s manifesto included a call for a Union based on national sovereignty “through the unique arrangement of a community of nations with strong collective action”, while the Progressive Democrats envisaged a European Union which “operates as a partnership of nations” and asserted their opposition to any moves towards a European super-state or any federalist dimension. This can be contrasted, for example, with Labour’s “firm vision for the future of a renewed social Europe”, or with the Green Party’s call for “an ecologically sustainable, socially just and peaceful Union”.

**The campaign**

The start of the campaign was overshadowed by allegations about the personal finances of the Prime Minister. Curiously, the opposition parties chose to ignore the topic, and instead it was Fianna Fáil’s coalition partners, the Progressive Democrats, who were most vocal in expressing disquiet. However, the issue was sidelined once the presiding judge in a tribunal of inquiry into political corruption decided to suspend its hearings until the end of the campaign. The suspension was called just at the moment the tribunal had been due to begin hearing submissions relating to Bertie Ahern.

Instead, the campaign concentrated on policies. The major difficulty was in discerning much difference between the main parties. The partners in the outgoing government, Fianna Fáil and the Progressive Democrats, were clearly determined to portray the past ten years as a period of unparalleled economic success. And the parties at the core of the putative alternative government, Fine Gael and Labour, did not challenge the basic thrust of public policy from the previous years. For these four parties, the Celtic Tiger was simply taken as being a good thing, with debate limited to arguing about how the boom years had been handled and whether they were about to end.

In particular, Fine Gael and Labour tried to argue that the benefits of the phenomenal growth of the previous years had been at least partially squandered. They concentrated on problems in public services, particularly the health and education systems, and on inadequate planning, particularly in relation to transport and housing. They were helped in their efforts by the publication of an official report at the start of the campaign by the Central Statistics Office outlining the distinctly uneven record of economic and social success. But the two parties were essentially proposing an approach to running the economy that was broadly similar to that of the government partners.

Fine Gael and Labour enjoyed the better of the first half of the campaign. Opinion polls showed them closing the gap on the government parties, and for a while it seemed as though they stood a chance of winning the election. But the turning point came with the televised leaders’ debates. Labour leader Pat Rabbitte, widely acknowledged as a highly skilled speaker, was marginalised by being included in a preliminary debate alongside the leaders of other smaller parties such as the Progressive Democrats, the Greens and Sinn Féin. The big debate was between Bertie Ahern and Enda Kenny, and Ahern’s grasp of
detail was generally felt to have given him a clear victory. Ahern also enjoyed a uniquely positive photo opportunity the week before the election when he became first Irish head of government to address a joint session of the Houses of Parliament in London.

In the remaining days of the campaign, opinion polls suggested that the tide was turning back to Fianna Fáil. The Fianna Fáil deputy leader and Minister for Finance, Brian Cowen, made a number of very effective interventions in which he emphasised the economic successes of the past years and urged voters not to put that new-found prosperity at risk. If Fine Gael and Labour had attempted to mount a more substantial critique, they might have been able to make more of a challenge. But instead, they were arguing for more of the same with only marginal differences of emphasis.

The only time any attempt was made to raise the European Union as an issue came in the shadow-boxing prior to the formal launch of the campaign. Brian Cowen stated at a press conference that “our corporation tax regime is safe only in the hands of this party” and vowed to fight any moves towards tax harmonisation in the EU. The Labour Party and the Green Party were picked out as being potentially unreliable on this issue, though both immediately denied this. Apart from this brief spat, the issue never really took off, and in general the EU simply did not feature in the election. As the analysis of the party manifestos has shown, there was not a great deal of difference between the parties in relation to the EU.

Results and outcome

Table 1: Results of the general election of the Republic of Ireland, May 24 2007

<table>
<thead>
<tr>
<th>Party</th>
<th>Votes (%)</th>
<th>Change since 2002 (%)</th>
<th>Seats</th>
<th>Change since 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fianna Fáil</td>
<td>41.6</td>
<td>+ 0.1</td>
<td>78</td>
<td>- 3</td>
</tr>
<tr>
<td>Fine Gael</td>
<td>27.3</td>
<td>+ 4.8</td>
<td>51</td>
<td>+ 20</td>
</tr>
<tr>
<td>Labour Party</td>
<td>10.1</td>
<td>- 0.6</td>
<td>20</td>
<td>- 1</td>
</tr>
<tr>
<td>Green Party</td>
<td>4.7</td>
<td>+ 0.8</td>
<td>6</td>
<td>None</td>
</tr>
<tr>
<td>Sinn Féin</td>
<td>6.9</td>
<td>+ 0.4</td>
<td>4</td>
<td>- 1</td>
</tr>
<tr>
<td>Progressive Democrats</td>
<td>2.7</td>
<td>- 1.2</td>
<td>2</td>
<td>- 6</td>
</tr>
<tr>
<td>Independents and others</td>
<td>6.6</td>
<td>- 4.3</td>
<td>5</td>
<td>- 9</td>
</tr>
</tbody>
</table>


As Table 1 shows, interpreting the results of the election depends to a certain degree on a matter of perspective. If the election is seen from the point of view of votes and seats, the big winners were undoubtedly Fine Gael. They recorded a significant increase in votes and picked up an extra 20 seats. But this was on the back of a dismal performance in 2002, so the party was effectively only regaining what had been lost. And since Fine Gael’s key allies, the Labour Party, slipped back slightly, their alliance was still a very

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6 quoted in the *Irish Times*, 19 April 2007
long way off winning the election. Even with the support of other parties, they would have been well shy of a majority.

So from the point of view of government formation, the winners were Fianna Fáil and the incumbent government. Fianna Fáil’s vote remained virtually the same as in 2002 and they lost three seats, while their allies the Progressive Democrats had a disastrous election – losing six of their eight seats, including party leader Michael McDowell (who responded by resigning from political life). But effectively Fianna Fáil were the only party in a position to do a deal to form a government, and the Progressive Democrats were still central to Fianna Fáil’s calculations as they searched for coalition partners.

The focus therefore turned to the smaller parties and independents. They had not enjoyed a great election. Both the Greens and Sinn Féin had anticipated continued success and growth. But despite small increments in their share of the vote, the Greens remained stuck on six seats while Sinn Féin actually lost one seat. The lone Socialist Party deputy lost his seat, as did many of the independent deputies in the outgoing parliament. After many years of fragmentation, there had been a consolidation of the vote in Ireland around the two big traditional parties.

Fianna Fáil rapidly identified the Green Party as the ones they would most like to court. The Green Party leader, Trevor Sargent, had insisted prior to the election that he would not lead the party into coalition with Fianna Fáil. But after a week of negotiations the two parties succeeded in putting together a programme for government. Sargent then resigned as party leader and refused to accept a cabinet position, though he did take a junior ministerial post. The new government saw two cabinet seats going to the Greens, with John Gormley becoming Minister for Environment, Heritage and Local Government and Eamon Ryan becoming Minister for Communications, Energy and Natural Resources. Gormley also succeeded Sargent as party leader.7

The programme for government does not indicate that the presence of the Greens in government will have any significant effect on Ireland’s EU policy at all. The section on Ireland and Europe contains 17 pledges, 15 of which were taken verbatim from the Fianna Fáil manifesto. Foremost among these was a commitment on tax harmonisation, which - as has already been seen - was one of Fianna Fáil’s major preoccupations. The two parties asserted: “we will resolutely oppose any attempt to introduce tax harmonisation within the European Union, either directly or through technical measures” and vowed to “keep Ireland’s corporation tax at its current level at most and veto any EU proposal which might undermine this”. The two new pledges, which it can be assumed are the ones where the Greens were most interested, both related to defence policy. One called for the promotion of a European civil peace corps to help deal with humanitarian crises, the other was a broad commitment to “ensure that Ireland does not become involved in an EU common defence”. But even this was a long way from the Green manifesto’s opposition to any development of the CFSP and its call for a referendum to give constitutional status to Irish neutrality. There was also nothing in the programme

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7 The leadership was contested by Patricia McKenna, who had been a Green Party MEP from 1994 to 2004. Gormley won by 478 votes to 263 (65%-35%).
relating to the Greens’ call for a new European constitution, though it could be argued that this had been superseded by the start of the process to develop a new Reform Treaty.

Although the key to the formation of the government had been the negotiations between the Greens and Fianna Fáil, they were not the only ones involved. Fianna Fáil made it clear from the outset that they would include the Progressive Democrats in any coalition, so Mary Harney retained her post as Minister for Health and Children. Fianna Fáil also negotiated deals to secure the support of four independents.\(^8\) In fact, the support of the Progressive Democrats and the independents meant that Fianna Fáil would have a narrow majority even without the Greens, which perhaps explains why the programme for government offered very few concessions to the Greens beyond a vague commitment to the introduction of a carbon tax.

In terms of ministerial positions with a central involvement in European issues, all such posts were in Fianna Fáil hands. Dermot Ahern was nominated to continue as Minister for Foreign Affairs, while his party colleague Dick Roche was made Minister for State for European Affairs – a demotion, as Roche had been a full minister in the outgoing government. Brian Cowen continued as Minister for Finance, Mary Coughlan as Minister for Agriculture, Michéal Martin as Minister for Enterprise, Trade and Employment, and Noel Dempsey was appointed Minister for Transport and the Marine.

**The (non-)impact of European issues**

The easy analysis of the 2007 Irish general election would be to say that Europe did not feature. This is not to say that there were no European issues worthy of attention – not least because of the ongoing difficulties in relation to the ratification of the European Constitutional Treaty. But the campaign was taken up with national personalities and domestic issues.

The one time that the EU raised its head was in relation to taxation, though even this was a somewhat indirect appearance. While it undoubtedly reflected Fianna Fáil’s strong concern to maintain Irish sovereignty over taxation, it was also an attempt to wrong-foot the opposition parties over taxation as a whole – particularly the Labour Party. But early in the campaign, Labour promised a reduction in the basic rate of income tax, so it was difficult to get the idea of Labour as a tax-and-spend party to stick. In addition, the subject of tax harmonisation had not really made much of an appearance on politicians’ radars. This was partly because of the perennial lack of interest in European issues on the part of most politicians. However, even for that tiny handful that did care about the EU, the proposals relating to tax harmonisation still seemed very tentative and remote. And if it was not really on the political agenda for them, it certainly was not going to be for the vast majority of the electorate.

\(^8\) The four were: Beverley Flynn and Jackie Healy-Rae, both former members of Fianna Fáil and often described as being a natural part of the Fianna Fáil ‘gene pool’; Michael Lowry, a former member of Fine Gael; and Finian McGrath, a community representative.
However, while tax harmonisation did not take off as an issue in the election, and Europe was not directly an issue in the election, it can be argued that the 2007 Irish election reflected concerns to be found in almost every European state. Throughout the EU, there is a debate about the direction the member-states should be going. Should they be trying to sustain the so-called European social model, or do they need to shift to a more market-driven, liberal approach? Increasingly, conservative parties across Europe have been calling for a more pro-business approach, as was evident, for example, in the 2006 German election and the 2007 French presidential election. But left-wing parties have also been grappling with similar issues. The British Labour Party under Tony Blair had clearly placed itself closer to business interests, and there were similar elements in the SPD campaign in Germany and Ségolène Royal’s campaign for the French presidency.

In Ireland, differences between parties on such issues have always been nuanced. Centre-right parties have been leavened by a populist, interventionist streak, while left-of-centre parties are characterised by a very non-confrontational, non-ideological position. Nonetheless, the debate about the overall economic direction has appeared in Ireland, and indeed is associated with a particular catchphrase – ‘Boston or Berlin’.

The differences were not strongly on show in the 2007 election, but although Fine Gael and Labour were not prepared to depart from the consensus in favour of low business tax rates, they did try to argue for a higher degree of social protection.

However, the defeat suffered by Fine Gael and Labour should not be taken as an indication that Ireland has plumped firmly for ‘Boston’. Instead, as in most European countries, this will remain an important political and economic issue for the foreseeable future. First of all, Fianna Fáil has been anxious to avoid being portrayed as a neo-liberal party, and the decline of their Progressive Democrat partners in the election has alleviated some of the pressure in that direction. In addition, the presence of the Green Party in government is likely to contribute to a further softening of emphasis.

The inclusion of the Green Party in government in Ireland for the very first time is an event which might in the past have augured significant changes in Ireland’s EU policy. The Greens have consistently adopted a Eurosceptical line, calling for a No vote at each of Ireland’s European referendums. In particular, they have campaigned on the grounds that the EU threatens Irish neutrality and that it is inadequate in terms of democratic accountability and openness. However, there are a number of reasons for suggesting that the actual presence of the Greens in government will have no discernible impact on Ireland’s EU policy. First of all, as already illustrated, the EU was not one of the issues the Greens chose to focus on in their negotiations with Fianna Fáil, and instead they were happy to leave responsibility for EU issues firmly in the hands of their new partners. But in addition, for some time there had been a debate on European policy within the Green Party, with an increasing number of voices calling for a more pro-EU stance.

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9 In 2000, Mary Harney of the Progressive Democrats drew a distinction between ‘Boston’ (implying American-style competition and entrepreneurialism) and ‘Berlin’ (implying the high social protection model of some European countries) and called for Ireland to align itself firmly with the American model. See: The development of the Irish Labour Party’s European policy, p181.
Thus, it can be anticipated that Irish policy towards the EU will continue very much as before. It will be strongly pro-EU but with very clear red lines on selected issues. The next major European hurdle to be faced by the new coalition government is likely to be the negotiation and ratification of the Reform Treaty, provisionally scheduled for completion during the Portuguese presidency in 2007 and therefore likely to be named the Treaty of Lisbon. All new EU treaties are subject to a public referendum in Ireland. Given the involvement of the Greens in government, the next Irish referendum is likely to be the first occasion when the Green Party will be among those calling for a Yes vote.

Whether or not Bertie Ahern is still in office by that time is another matter. Immediately after the election, the tribunal of inquiry into illegal payments to politicians resumed its deliberations, with Ahern’s own finances coming under scrutiny. But irrespective of the outcome of the tribunal, Ahern has indicated an intention to step down from politics before the next general election. Indeed, in the immediate aftermath of the election, Ahern clearly indicated a front-runner in the succession stakes. Brian Cowen played a crucial role in the second half of the election campaign, particularly by focusing on the strength of the economy, and had then been one of the main Fianna Fáil negotiators in the talks with the Greens. Cowen is currently Minister for Finance, and was Minister for Foreign Affairs during the 2004 Irish presidency. Again, if Cowen were to become to next leader of Fianna Fáil and the next prime minister, it is unlikely to result in any change in Ireland’s EU policies.

Thus, the 2007 election is unlikely to result in any significant change of Irish policy towards Europe. The widespread consensus in favour of the EU remains firmly in place – indeed, if anything it is to be anticipated that participation in government will lead the Green Party to a less Eurosceptic position. Irish reservations on selected issues such as defence and taxation will remain in place, but need to be seen in the context of a predominantly pro-EU position. And although the career of one of the longest-serving prime ministers in the EU might be coming to an end, the indications are that Ahern’s most likely successor will not change any of the fundamentals of Ireland’s EU policy.

This is the latest in a series of election and referendum briefings produced by the European Parties Elections and Referendums Network (EPERN). Based in the Sussex European Institute, EPERN is an international network of scholars that was originally established as the Opposing Europe Research Network (OERN) in June 2000 to chart the divisions over Europe that exist within party systems. In August 2003 it was re-launched as EPERN to reflect a widening of its objectives to consider the broader impact of the European issue on the domestic politics of EU member and candidate states. The Network retains an independent stance on the issues under consideration. For more information and copies of all our publications visit our website at http://www.sussex.ac.uk/sei/1-4-2.html.