



# Peace & the Economy: The Role of Business and the Private Sector in Peace Processes

## Comparative Study Visit Report

*Dublin, Belfast, Dundalk*

10 – 13 July 2017

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## Foreword

DPI aims to create an environment which facilitates the sharing of knowledge, opinions, ideas and concerns relating to peace and democracy building. We seek to create a structured public dialogue and support the diversity of opinion, as well as creating and widening existing platforms for discussion. DPI's principle objective is to identify common priorities and develop innovative approaches to participate in and influence the process of finding democratic solutions. Comparative studies of associated case studies enable us to effectively analyse past mistakes so as to avoid their repetition. Therefore, we see comparative analysis of models of peace and democracy building to be central to the achievement of our aims and objectives.

This report provides a summary of discussions that took place during DPI's Comparative Study Visit to Dublin, Belfast and Dundalk focused on the role of business and the private sector in Northern Ireland's peace process. The visit, which took place over four days from 10-13 July 2017 and involved daily roundtable meetings, was kindly hosted by the Irish Department of Foreign Affairs and Trade (DFAIT). The aim was to provide a platform for discussion between high level speakers with direct experience of the Northern Irish peace process and a diverse group of Turkish participants, including prominent business people and organisations, on the relationship between business, the economy and conflict resolution. DPI's activities are consistently held under Chatham House Rules. In the interests of transparency, the following report also provides a full transcript of the meeting, which we hope you find useful.

In addition, a background paper provides an account of the role and actions of Northern Ireland's business community in articulating the economic rationale for peace, lobbying for a peaceful resolution to the conflict, and advancing political debate to this end. DPI wishes to thank Vahid Aliyev for his work in preparing this paper.

This activity represents a first step in exploring the role that the private sector can play in peace processes, which DPI considers an important factor in working toward conflict resolution. Feedback from study visit participants indicated a strong interest in continuing to work together to share and develop knowledge and ideas presented during the Irish visit and to broaden the bases for dialogue on the economic dimensions of conflict, including among the wider business community, policymaking circles and the general public. DPI will endeavour to develop and support activities on this topic.

DPI extends its thanks to the Irish Government for hosting this event and particularly to Frank Smyth Director of DFAT's Conflict resolution Unit and to Gren Armstrong, Relationship Manager at Invest Northern Ireland for organising an excellent programme. DPI also wishes to thank all the speakers and participants in the programme for sharing their experience and expertise and contributing to a truly interesting and inspiring discussion over the course of the visit. This activity was delivered by DPI's team in London and

Turkey and here particular thanks are given to Programmes Interns Christian McGee and Chris Morton for their contributions.

Sincerely,

Kerim Yildiz

CEO Democratic Progress Institute

## Summary

### Context

At a tense time in Turkey's political climate, as planned DPI brought together a diverse group of the country's prominent business people and organisations, including company CEOs and leaders of business associations, along with policymakers, officials, academics, journalists and members of the former Wise People's Committee, including the Chief Advisor of President Erdoğan and members of the Democracy Platform, to discuss the role of business and private sector actors in conflict resolution with experts on the Northern Irish peace process.

*"I had a chance to see [the] involvement of civil society, business world and women in the process of solving the conflict." – Participant*

The aim of the visit was to provide participants with a forum in which they could consider practical and first-hand examples of the contributions made by the business community to the peace process in Northern Ireland and stimulate discussion on the economic benefits of peace for private business, government and wider society.

This was the first visit carried out by DPI exploring the relationship between conflict and the economy and the role of business communities in encouraging and supporting peace, which DPI considers an important factor in working towards a conflict resolution process. It builds on and complements DPI's work on related topics including the role of women and of civil society in peace processes, as well as means of getting a process back on track and continuing dialogue in difficult times. It also reflects DPI's belief that such challenging times as Turkey is now experiencing, with mutual distrust on all sides and continued violence in the southeast of the country, can provide an important opportunity to prepare society for the moment when the process regains momentum.



Participants with former Irish Taoiseach, Bertie Ahern.

By bringing participants with diverse backgrounds and affiliations together in a neutral environment, the visit provided a much needed opportunity for participants to both learn from the experiences of Northern Ireland and discuss the positive role that business communities can play in promoting peace and stability.

#### **Speakers**

Participants benefitted from the insights and first-hand experiences of high-level speakers including industry leaders, members of the business community, leading economists and academics and current and former senior Irish government officials.

#### **Themes**

During meetings both in the Republic of Ireland and Northern Ireland presentations and discussions explored the economic impacts of conflict and the benefits of peace, the nature of business in the Republic of Ireland and Northern Ireland before and after the Good Friday Agreement, cross-border trade, and actions undertaken by the business community to encourage policymakers to work for peace.

During the course of this visit the participants had an opportunity to hear about and discuss the role of business including:

- How to make peace with your enemy, with the emphasis placed on *continuing open dialogue* with the perpetrators of violence. Speakers emphasised the need for inclusive processes involving all parties in peace talks. The failure to find a political solution in Northern Ireland prior to the Good Friday Agreement and importance of *public ownership*.
- *Diverse mechanisms used by business groups* to support the process in Northern Ireland. Irish and British business leaders involved in the conflict resolution process described how they promoted their message of peace and political stability as the foundations of prosperity, characterising their role as encouraging politicians to reach a political solution, while remaining non-political and not dictating what the solution would look like.
- The issues of *discrimination, unemployment and income inequality* and the relationship between integration and the economy were explored. Employment, particularly amongst youth, was analysed as a tool for giving people an alternative to violence and for reintegrating those formerly engaged in violence into society.

*"... for prosperity there must be proper integration and places for people to live and work together."* –

Dearbhail McDonald

- The *effect of political uncertainty on the economy*, the conditions necessary to create stability and therefore encourage economic growth, and the positive effects of improved economic prospects on making and sustaining peace.

- The importance of *cross-border trade* and its role in normalising all-island relations dealing with the business aspect. It was noted that towns along the border previously considered dangerous experienced an ‘economic boom’ after the peace agreement as areas for job growth opened up.
- Economic initiatives such as *social enterprises*, which continue to work in the interface areas by aiding new start-ups in the area, creating opportunities for businesses to earn their own profits and thereby generating employment.

*“Characteristics of social enterprise are the motivation by social goals and/or mental goals to make profit to redistribute to the common good. It is important to note that profit is crucial to benefiting the community.” – Audrey Murray*

- The importance of *education* within the context of an ongoing process, including the need to open up opportunities for people to learn new skills and the benefits of an educated workforce in rebuilding economies.

### **Outcomes of the Visit**

An evaluation session in the course of the visit allowed participants to not only share their views on the event, but also provide suggestions for possible follow-up and future action. Feedback indicates that participants found the visit useful and it has had a significant impact on key players in the business community. The bringing together of such a diverse group with different views and backgrounds enabled the building of valuable relationships across the political spectrum.

The participants highlighted the importance of understanding the economic dimension of conflict and saw this visit as an opportunity to share and learn from the experiences of Ireland’s business community on how they assisted the conflict resolution process and worked for the common goal of peace.

*“It was very important to see concrete examples of [the role of the business world and women in peace] in Ireland when I was trying to explain this to my circles.” – Participant*

Participants also considered how DPI and the business community can work together and discussed ways to share this knowledge and the ideas presented with the wider business community and in policymaking circles. In this respect participants indicated their intention to report back to their respective institutions, organisations or constituencies, including a range of business organisations. Many participants also stressed the importance of engaging with the wider general public on this topic. For example, the possibility of bringing together heads of stock markets in Turkey with representatives of civil society organisations was discussed. There was also considerable interest in social enterprises and learning more about the ‘third sector’ model of business whereby profits do not go into private hands but are directed back into the community.

The fact that the Northern Ireland peace process is ongoing in terms of managing the legacies of the past and addressing the challenges of implementation, including in relation to power sharing, is also of great interest and allows for observation of the various stages of conflict transformation particularly in the post-agreement phase.

Overall the comparative study visit proved to be informative and engaging for the participants with valuable sharing of experiences from the Irish experts. DPI intends to build on this visit through ongoing work in the area of business, the economy and conflict resolution, and will continue to draw on comparative case studies.



Participants with former Irish Minister of Foreign Affairs and Defence, Dermot Ahern



## Background Paper

### The Role of Business in Northern Ireland's Peace Process

#### **Introduction**

There have been many cases of private sector intervention in conflict situations with a view to fostering peace and so improve the country's economic prospects. In other cases, the private sector can benefit from the prevalent economic environment and support the *status quo*, thereby precluding any attempts at change. Countries where the private sector can be said to have had some positive effect on the peace process include Northern Ireland. The main focus of this paper is on the positive role of Northern Ireland's business sector in contributing to peace negotiations and the implementation of the final peace agreement.

Throughout much of Northern Ireland's history there has been conflict between the Unionists and Republicans with the worst part of the conflict known as *the Troubles* occurring during the latter half of the 20<sup>th</sup> century. This paper will discuss the direct and indirect economic impacts of instability during *the Troubles*, including direct costs to the business sector as an incentive for engaging in the peace process. It will then outline the positive role of the private sector and its contribution to the successful peace negotiations in Northern Ireland. The economic benefits of relative stability post-agreement and the role of foreign direct investment in securing maintaining peace will also be discussed. Key factors contributing to the success of the private sector's actions in the peace process in Northern are identified in conclusion.

#### **Economic impacts of conflict**

The consequences of conflict extend far beyond deaths in the battlefield to include forced migration and long-term refugee problems, for example. Alongside its humanitarian consequences, armed conflict can affect a country's economy through, e.g., destruction of infrastructure, loss of income as a result of disruption of economic activity, unemployment, uncertainty, capital flight and increased business costs. Measuring the economic implications of armed conflict has always been a challenging task: besides direct effects there are a number of indirect effects that continue to exist long after the violence is over.

#### **History of the conflict in Northern Ireland**

The existence of political, social, and economic inequalities between groups is often the cause of conflict. Following the partition of Ireland in 1921, the Catholic minority of Northern Ireland considered themselves to be an oppressed minority, while Protestants dominated in the political sphere of the country and enjoyed wider civil rights. The Catholics, also known as 'Nationalists' or 'Republicans', wanted to join the independent Republic of Ireland, thereby securing greater independence from the United Kingdom, while Protestants, known as 'Unionists' or 'Loyalists', wished to remain part of the United Kingdom. The inability to address inequalities between these two groups resulted in conflict, with fatal consequences. The violence, known as the *Troubles*, lasted for three decades between the end of the 1960s and the end of the

1990s and took the lives of over 3,600 people, including civilians, paramilitaries, security forces and soldiers.<sup>1</sup> All efforts to find a political solution to the conflict failed right up until the 1998 Belfast Agreement, also known as the Good Friday Agreement, was concluded.<sup>2</sup>

### **The economic situation in the country during *the Troubles***

Throughout *the Troubles* the economy of Northern Ireland was considerably affected by violence, political instability and the consequent inability to compete in a growing global market. This led to the economic decline seen in Northern Ireland during the latter half of the 20<sup>th</sup> century. This decline can also be partly attributed to the oil crises of the 1970s which saw a sharp escalation of crude oil prices and drove up the inflation rate. Unemployment was on the rise and by 1971 reached 17.7 % amongst the Catholic male population, which was nearly three times the Protestant rate.<sup>3</sup> Without the annual infusions of aid from the United Kingdom the standard of living in Northern Ireland would approach that of Mexico or Argentina.<sup>4</sup> The economy of the country saw a recovery only after a period of ceasefire and subsequent peace deals.

## **Private sector and peacebuilding process in Northern Ireland**

### **Why engage? Direct and indirect costs to business**

There has been relatively little research produced until recently on the role of business in conflict resolution, especially regarding the specific examples of how different sectors, such as infrastructure, consumer goods, banking, travel and tourism can potentially play role in preventing, creating, exacerbating or resolving conflict. The negative impact of conflict on the economy appears to have been the fundamental motivation and driving factor for the private sector's participation in the peace process.

The business cost of conflict can be direct and indirect. Amongst the direct costs of conflict are security, opportunity, personnel costs and material losses. The destruction of human, social, economic, political and environmental capital are among the indirect societal costs of conflict. These types of capital are important for private sector development and their destruction can impact negatively on both domestic and foreign investment. Some argue that indirect costs of conflict do not affect the private sector directly. However, the fact that the government funds spent on coping with conflict could be directed toward support for the

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<sup>1</sup> Democratic Progress Institute (DPI), *The Good Friday Agreement – An Overview*, (DPI, London, June 2013), 13

<sup>2</sup> The full text of the Agreement is available online <https://www.gov.uk/government/publications/the-belfast-agreement>; For more information on the Agreement see the DPI's publication, *The Good Friday Agreement*, (DPI, London, June 2013)

<sup>3</sup> Rose, Charles R., (1971), *Governing Without Consensus: An Irish Perspective in Economics*, (London: Faber and Faber), 567. As cited in 'Economics in Peacemaking: Lessons from Northern Ireland', *The Portland Trust*, (2007), 7

<sup>4</sup> Rowthorn, Bob and Wayne, Naomi, (1988), *Northern Ireland: the political economy of conflict*, (London: Polity Press), 90. As cited in Hancock, Landon, (1998), 'Northern Ireland: Troubles Brewing', 2-3

private sector, for instance, should not be underestimated. There is little research on how sharp reductions in military spending may drive resources toward investment in other sectors and thereby enhance peace.<sup>5</sup>

At the beginning of the 1990s, a clear link between the continuing violent conflict in Northern Ireland and its impact on the country's poor economic performance became apparent to various members of the business community in Northern Ireland. Security issues such as robberies, bombings, and assassinations, along with the damaged infrastructure were among the direct costs to the country's private sector. In addition, Northern Ireland's global image as a conflict zone was seen as the main reason for continuing decline both in investment and tourism.<sup>6</sup> It should also be noted that *the Troubles* led to the displacement of over 60,000 people,<sup>7</sup> including some of Northern Ireland's youngest minds who should be the future of their economy, but who began to emigrate out of the country. Awareness among the Northern Ireland business community of the fact that the support for the country's economy coming from Britain could not last long was among the decisive factors that influenced the private sector to act. The flourishing economy of the neighbouring Republic of Ireland, previously labelled the 'poor cousin' of Northern Ireland, was seen as another catalyst.<sup>8</sup> The private sector could no longer afford to ignore the causes, costs and consequences of the conflict by standing aside.

### **The process of engagement**

Linking the economic costs of conflict to the benefits of peace can be instrumental in changing attitudes within a society, whether it is political parties or the general public. In 1994, the Northern Ireland branch of the Confederation of British Industry (CBI) produced a publication called 'Peace – A challenging New Era'. This landmark publication, which later became known as the 'peace dividend paper', laid out arguments in support of the economic benefits for Northern Ireland in the event that peace should be achieved. One of the arguments that had a lot of influence within the business community was that by improving the negative international image of the country, different avenues would open up for foreign investments. The media extensively utilised the 'peace dividend' to promote peace to the general population and to the world. The Northern Ireland government realised how much attention this paper was receiving and started to recognise the benefits of further promoting this approach. This was followed by the investment conference in Belfast in 1994.<sup>9</sup>

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<sup>5</sup> Nelson, Jane, (2000), 'The Business of Peace: The Private Sector as a Partner in Conflict Prevention and Resolution', Prince of Wales Business Forum [now International Business Leaders Forum], International Alert, Council on Economic Priorities, 20-25

<sup>6</sup> 'The Role of Business in Peacemaking: Lessons from Cyprus, Northern Ireland, South Africa and the South Caucasus', *The Portland Trust*, (2013), 23

<sup>7</sup> According to Andrew Griffith, CEO of EuropaGrid, the country had a refugee problem which is not often discussed. See the 'Border Regions' presentation in the transcript of the study visit in this publication

<sup>8</sup> 'The Role of Business in Peacemaking', *The Portland Trust*, (2013), 23

<sup>9</sup> 'The Role of Business in Peacemaking', *The Portland Trust*, (2013), 23-24

The 1994 ceasefire proved the rationale behind the CBI's publication 'peace dividend' to be practical and the country's economy quickly improved. The tourism sector increased significantly, up to 20%, when 1.55 million tourists visited Northern Ireland within the year; the unemployment rate saw a dramatic drop to 11.4%, the lowest level of unemployment in over 14 years; and, most importantly, new foreign investments amounting to over 30 million GBP were announced.<sup>10</sup>

In 1996, approximately two years after the publication of the 'peace dividend' paper, the peace negotiations broke down, and the role of the private sector became prominent. The CBI joined six other leading business and trade organisations to form the Group of Seven (GoS or G7).<sup>11</sup> Their main goals were rooted in promoting a single peace message which articulated a strong necessity for Northern Ireland to decide on a 'stark choice between a future of peace and prosperity or a destiny as being remembered as one of the world's most irredeemable trouble spots'.<sup>12</sup> They relayed this peace message by engaging with the general population through grassroots movements and civil society campaigns. They also encouraged businesses to get involved by highlighting their 'social responsibility'. The G7 was portrayed as the 'collective voice of Northern Irish economic interests' and by gaining considerable authority used its influence in further advancing and promoting this message to the general population of Northern Ireland.<sup>13</sup>

#### **The role and actions of the business: The Group of Seven as political intermediary.**

Apart from acting as a policy think-tank by producing 'the peace dividend paper', the landmark publication which spelled out an economic rationale for peace, the G7 also continued to lobby for peace in various ways, including the use of media statements. By issuing press releases the G7 kept up public pressure on politicians to make peace. In addition to this, the G7 lobbied individuals by disseminating letters to business colleagues asking them to distribute them among their employees.<sup>14</sup>

The G7, in October of 1996, held a meeting in Belfast with the representatives of all nine political parties involved in the peace talks where the economic rationale for peace was presented. The Group once again highlighted the importance for economic growth and prosperity by discussing the possible benefits once peace was achieved, and urged political parties to work towards peace talks. They emphasised the fact it would bring improvement to retail, investment, trade, and the reduction of security expenditures, while also warning of the catastrophic consequences should the peace talks fall through. It should be noted, the

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<sup>10</sup> 'Economics in Peacemaking: Lessons from Northern Ireland', *The Portland Trust*, (2007), 19

<sup>11</sup> The other six organisations were the Hotel Foundation, the Institute of Directors, the Northern Ireland Chamber of Commerce and Industry, the Northern Ireland Growth Challenge, the Northern Ireland Economic Council and the Northern Ireland Committee of the Irish Congress of Trade Unions

<sup>12</sup> Gündüz, Canan and Tripathi, Salil, (2008), 'A role for the private sector in peace processes? Examples and implications for third-party mediation', *Centre for Humanitarian Dialogue*, 20-21

<sup>13</sup> *Supra*, note 9 at 24

<sup>14</sup> *Supra* note 5, As cited in Killick, Nick, Srikantha, VS, Gündüz, Canan, (February 2005), 'The Role of Local Business in Peacebuilding', Berghof Research Center for Constructive Conflict Management, 13

G7 always held collective meetings rather than individual ones as this mirrored the Group's strategy of political cooperation and impartiality.<sup>15</sup>

Over the next two years, the G7 held five more meetings. Each of these meetings was followed by a media awareness campaign in order to communicate to the general population.<sup>16</sup> It was extremely important for the business to convince politicians and the general population of the importance of their arguments for peace. In April 1998, the landmark Good Friday Agreement which has since guided the peace process was announced. A month later, following the Good Friday Agreement, a referendum was held. The G7 remained neutral and were not a part of the 'Yes campaign'. However, the Group time and again argued that by voting 'yes' the voters would vote for economic prosperity of the country.<sup>17</sup>

Amongst the important contributions of the G7 to peace promotion was a draft of an anti-sectarian guidance for employers entitled 'Doing Business in a Divided Society', which highlighted the benefits of diversity.<sup>18</sup>

The business community of Northern Ireland moved away from its traditional role solely as financial supporter to serve also as a think tank, as well as a lobbying group to exert pressure on politicians with the common goal of achieving peace. However, it should be noted that the businesses in Northern Ireland only acted when they felt it was a necessity and would advance the political debate over peace talks that would bring back prosperity for their companies. One of the crucial reasons why businesses were successful in the case of Northern Ireland is that an unwritten agreement was reached among Britain's main political parties not to exploit the conflict as a political tool.<sup>19</sup>

### **Benefits of peace: increased foreign direct investments**

"I tell the Colombian people 'look what happened in Belfast, look how investment is coming in, pouring in, look at the transformation Belfast has been going through – this we can do the same if we are able to reach peace'." These are the words of the President of Colombia, Juan Manuel Santos during his 2016 visit to the capital of Northern Ireland. "...You have been doing a great job. I know it is ongoing, still going on, but, for us, it's also an inspiration", he added.<sup>20</sup>

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<sup>15</sup> *Supra* note 5, at 114

<sup>16</sup> *Supra* note 9, at 24

<sup>17</sup> *Id.* at 25

<sup>18</sup> *Ibid.*

<sup>19</sup> *Killick, Nick, Srikantha, VS, Gündüz, Canan, (February 2005), 'The Role of Local Business in Peacebuilding', Berghof Research Center for Constructive Conflict Management, 13*

<sup>20</sup> 'Colombian premier 'inspired' by Northern Ireland's peace process, Belfast Telegraph, Nov. 3, 2016, available online <http://www.belfasttelegraph.co.uk/news/northern-ireland/colombian-premier-inspired-by-northern-irelands-peace-process-35185399.html>

The G7 continued to promote peace and in June 1998, the Group organised a visit to Northern Ireland for a delegation of leading business men. This was done in order to facilitate business relations between the country and the rest of the world.<sup>21</sup>

The role of the United States after Northern Ireland's peace process should not be underestimated. 'One of the beliefs was that without the participation of the United States as a third party, nothing would have ever really come together. Our view was that if America got involved, it could make an impact'.<sup>22</sup> From 1993 onwards, the US played a special role, along with other outside observers and mediators, in pushing Northern Ireland towards a peaceful solution. The promises of economic benefit paired with political support for foreign direct investment (FDI) were chief instruments of persuasion during the process.<sup>23</sup>

The US President, Bill Clinton, and his administration saw economic development as an essential complement to political initiatives in support of the Northern Ireland peace process.<sup>24</sup> Already in 1993, US investments in Northern Ireland constituted about 30% of all FDIs.<sup>25</sup> Immediately after the announcement of the first ceasefire in 1994 the Clinton administration started looking for ways to support Northern Ireland's peace process with an economic development package that would encourage private investment and expand bilateral trade.<sup>26</sup>

During the period of 1994-2000, US firms invested approximately 1.5 billion USD in Northern Ireland. This increase in funding accounted for about 10% of all jobs in the country.<sup>27</sup> Direct investments of 123.43 million GBP continued to pour in from the US during the 2002-2003 fiscal year. In 2005, Belfast was chosen by Citigroup to locate one of its IT centres, promising an investment of 100 million USD over five years and the creation of 375 new jobs. Invest Northern Ireland, the governmental agency which promotes inward investment, provided its support amounting to 12.6 million USD.<sup>28</sup>

It should also be noted that high education levels played an important role in the case of Northern Ireland. For example, Nortel and Fujitsu chose to offer jobs to the large percentage of university students in Northern Ireland pursuing technical degrees while also citing *the Troubles* when asked why they did not try to invest sooner.<sup>29</sup>

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<sup>21</sup> *Supra* note 17

<sup>22</sup> From the interview with Niall O'Dowd (2007), *supra* at 28.

<sup>23</sup> *Supra* note 10 at 28.

<sup>24</sup> Wilson, Andrew J., (Spring 2003) 'Doing the Business', *Journal of Conflict Studies*, Vol 23, No 1

<sup>25</sup> 'Economics in Peacemaking', (2007), *The Portland Trust*, 30

<sup>26</sup> Wilson, Andrew J., (Spring 2003) 'Doing the Business: Aspects of the Clinton Administration's Economic Support for the Northern Ireland Peace Process, 1994-2000', *Journal of Conflict Studies*, Vol 23, No 1,

<sup>27</sup> *Supra* note 10, at 23

<sup>28</sup> *Id.* at 30

<sup>29</sup> *Id.* at 23-24

The role of the political support for foreign investments in the case of Northern Ireland should not be underestimated. The private sector in Northern Ireland continued to depend on political support to attract investment even after the 1998 Agreement.

## **Conclusion**

Northern Ireland's business community has played a crucial role in establishing peace in the country. It has provided a stable platform for politicians to engage in the peace process. The private sector's engagement in the peace process in Northern Ireland was successful for a number of reasons, as follows:

- The G7 was seen as a non-political actor; the fact that it was engaged with all political parties involved at once holding collective meetings rather than individual ones helped the Group to maintain this image of political impartiality and gain more credibility in the eye of various circles within and outside the country;
- By acting as one single bloc, speaking with one voice and sticking to the same non-political and single message, the G7 demonstrated how Northern Ireland had the ability to act collectively;
- Building bridges between competing political parties all striving for power, the private sector in Northern Ireland played the roles of a think tank and lobbying group, thereby expanding its traditional financial role;
- The G7's 'peace dividend paper' in which costs of violence and economic benefits of peace were analysed was seen as a powerful influential tool that convinced the society at large;
- The Group used its influence and acted only when its contribution would advance the peace talks.

Today, the Northern Ireland case is cited as one of the successful precedents of collective corporate action. Lessons learned from this example of how the business community in Northern Ireland acted in promoting peace could be further applied or adapted to conflict resolution in other situations according to the specific context. There is a strong need for more extensive research as to how cuts in security spending could be reinvested into other sectors, such as education, which could help to end violence and boost economic growth. Businesses alone cannot build peace, but they can complement and enhance other elements of the peace process and are essential to ensuring economic growth and stability after peace.

Monday, 10<sup>th</sup> July 2017 - Dublin

Session 1: How to make peace with your enemy, Political and Economic benefits of peace in Northern Ireland

Bertie Ahern, Andrew Griffith, Vincent Maguire, Neal Sweeney and Brendon Lynskey



Former Taoiseach of Ireland, Bertie Ahern, addresses participants. Pictured (left to right): Laki Vingas, Mehmet Emin Ekmen, Andrew Griffith, Bertie Ahern, Kerim Yildiz.

**Welcome remarks by Kerim Yildiz, CEO DPI:**

A very warm welcome to you all. Many of you here are familiar with the background of DPI but I will give you a very short summary of our aims and activities. DPI was established in 2010 by a number of conflict resolution experts from around the world, including, among others, Turkey, Peru, South Africa, and Ireland. We have formed a number of programmes focusing on conflict resolution, including the Turkey programme, of which this visit forms part. We are also working in Syria, Afghanistan and we also carry out work in relation to Colombia, the Basque Country, and other regions internationally.

The aims and objectives of DPI are to broaden the bases for dialogue and conflict resolution. One of the ways in which we do this is to organise comparative study visits such as this one, with the aim of learning from international experiences of peace processes, including the many challenges and lessons learned. We have limited time but I would like to take this opportunity to extend my thanks to DPI's advisors and everyone who assisted in the organisation of this comparative study visit. Our aim over the next four days is to look at the role of business and the private sector in peace processes through examining the Irish experience. Whilst DPI does not discuss the internal matters of Turkey – we only discuss international experiences – the conflict in Turkey is at the forefront of many of our minds here during these difficult



times in which the conflict has intensified. DPI believes that the opportunity for dialogue always remains and as we all talk about peace the first-hand experience of our guests is hugely instructive in thinking about the conflict in Turkey. Our first speaker, Bertie Ahern, was one of the most important architects of the Northern Ireland peace process and, as someone who remains active in Irish and European public life, continues to pay close attention to the peace process, and particularly its continued success in light of the Brexit vote. Over the next few days we will have the opportunity to learn about the role of businesses in peace processes and how the private sector was involved during the good times, the bad times, and after peace was established.

**Bertie Ahern, Former Taoiseach (Prime Minister of the Republic of Ireland), 1997-2008:**

It is great to have you all here and welcome to my home town. I live here in Dublin and have been a representative in parliament for 40 years. I have met people from all walks of life and am glad to do so. I will start by introducing people in business who have worked hard both before and after the peace process, Andrew Griffith, Vincent Maguire, Neal Sweeney and Brandon Lynskey.

Thank you Kerim for the introduction, I will now take off and say a few words. Feel free to ask me or my colleagues any questions at the end of this session. I will start by giving a brief history of *the Troubles*. For hundreds of years Ireland had a difficult relationship with its near neighbour and I won't go back all the way. But, in 1920, when the island was divided; the north remained under British rule and the South became its own republic. The more recent time of conflict between the end of the 1960s and the end of the 1990s was known as *the Troubles*. Catholics were discriminated against and they wanted fair education and equality for women. Concessions would have been easy but other members of the country who wanted to remain under British rule used force to crush the civil rights movement which led to violence that went on for a long time. This moves into the Provisional Irish Republican Army (PIRA/IRA) taking up arms against the British administration which led to a period during the 70s, 80s and 90s where there were shootings and bombings daily.

In a small part of Ireland more than 3,000 died and about 150,000 were injured in a population of only about 1.5 million. This was in a small geographical area as there were no killings in the south and most of the violence took place in the border region of Northern Ireland. From a business perspective, it really stopped its functionality for about 30 years. The private sector died and the public sector grew with the British government subsidising the state and there were very few businesses surviving; there was no tourism, restaurants did not work because people were afraid to go out after dark, people couldn't go to the cities and even if they worked there they had to immediately leave because it would have been too dangerous to stay. Nobody wanted to come to Northern Ireland and even before the conflict, the trade between Northern Ireland and the Republic of Ireland was only about 30 per cent of what it would have been if Dublin and Belfast were in mainland Europe. This was because the Catholics were not trading with Protestants and the British were not trading with the Irish. Even though Dublin and the UK might have been

trading, it was a different story for Northern Ireland. So, the effect of *the Troubles* on a low base was to nearly eliminate business. The British did put in a lot of money to Northern Ireland and at the height of *the Troubles* the number of security forces being paid for by the British was about 50,000; this was between British soldiers, police, part-time police and the part-time army. However, this did not stop the trouble, the IRA got stronger and the army got tougher. So, the effect on life and family was hard and many people left or would send their children to university in the south of Ireland or to other parts of the UK. From 1921 to 1991 the number of times there was interaction between politicians from Dublin and Belfast could be counted on one hand; they did not meet, they did not engage so everyone remembered the few meetings that did take place between them because there were so few. There was an attempt made in 1974 to find a solution, however it broke down after a month. There was another attempt in 1985 where the British and Irish governments made an agreement that failed because it was between the two governments and didn't involve the parties to the conflict. Up until the early 90s there was no real political action or progress. I was heavily involved in this time of the process and in 1991 we started talks with civil society, including women's groups and business groups because the political system was not getting us anywhere. Even though I get a lot of credit for my political efforts, my honest opinion is if we had not broadened to trade unions, business women, and civil society there would have never been progress. In 1997, Tony Blair and I made a decision while both working in opposition to work secretly and privately.



Andrew Griffith, Bertie Ahern, Kerim Yildiz, and Vincent Maguire

**Participant Question: Are you from a right-wing or left-wing party?**

**Bertie Ahern:** A centrist party, we do not really have left or right in Ireland. It depends what constituency you represent, I think people would say I am centre left but I consider myself centre. The Irish parties grew not on a basis of left and right, they grew out of civil war so their politics grew out of what side your family was supporting and it has remained this way ever since. Through most of its history and through my three

terms my party attained 41 per cent, 42 per cent of the votes. I was leader of the opposition party. In 1995 and 1996 we mostly worked on what we should do but then in 1997 and 1998 we understood that all parties were on the side of peace. You may ask: how did we get the parties to the drawing board? Well, we stated that there were going to be neither winners nor losers. It had to be an honourable compromise and violence had to stop. We got ceasefires in 1994 but they broke down again in 1996. We had to make principles where people would get out of violence and negotiate at the table. I would like to say this worked great but, like in football, people were breaking the rules so we had to give them red cards so to speak. We had great support from the United States but Britain and the United States are friends so this was always difficult to us. Finally, we got an agreement and the important thing is that since the agreement in 1998, there has been little violence. Immediately after this violence and corruption stopped, business started getting strong again. Investments came back strong, tourism started to come back and business between Dublin and Belfast was rejuvenated. The United States held an investment conference in the U.S. to give incentives for people to invest and to visit Northern Ireland. This was good but differences between Catholics and Protestants are still an issue, but it is mostly in a non-violent way. Employment is strong, people don't emigrate as much and there is an argument that the island is at peace.

When *the Troubles* were bad nothing could really take place, but when the ceasefire arose business helped it grow and gain stability. The women's groups were extremely powerful and there was a party called the Women's Coalition which was women from different walks of life that showed great leadership. They marched and worked strongly with Tony Blair and I. Tony would always like to see them coming because he would say: 'this is the only sanity we get' and they were tough women that worked for compromise and tried to help us. This is important for me to say because I have been involved with the Basque country and Ukraine and all types of conflicts have come to us because of Northern Ireland and I try my best to give detailed briefings. It is not fair to ask business to be involved when it is bitter and people can get killed. It is hard to ask it to get involved for intimidation and giving contracts out to the wrong side could be seen as support for one side. Unfortunately, the horrors of the conflict spread into business; there were assassinations of good honourable business people because they did contracts for the state because they had to and because they had to put bread on the table for their families. This made it extremely hard for the business organizations. However, in my view, there is a time for business to act and a time for working together.

**Andrew Griffith, CEO EuropaGrid:**

My name is Andrew Griffith. I used to be manager and director of one of the largest construction companies in Northern Ireland, then I went into an investment business and I have a family office now that is involved in property but my friends here are much more involved at the moment. I own a business which builds electricity's, subsea and connection cables around Europe. We own 37 licensing contracts and we have three projects which involve 30 pipelines which we are moving towards as time goes by. This is Europa

grid, a company involved in building subsea cables, 1 gigawatt cables across borders. Electriona is an electricity trading platform which is a business that enables the trading of electricity between people and across borders which is important and a huge policy of the EU. I am the chairman of Dundalk institute of Technology but I have also chaired the fourteen institutes of technology in Ireland in a two year period. Dundalk is a third level education institution that sits about halfway between Belfast and Dublin. It is because of these third level institutions that the process could become technically resolved, immediately when these institutes got involved in partnerships with each other, the real dividend of peace started to arise and real peace was imminent.



Roundtable with Bertie Ahern

So, effectively what we do at EuropaGrid, as you can see, between France and the UK we have a converter station that sends a cable under the sea that supplies a gigawatt of power. As you can see these projects are highly political and difficult projects. These are merchant projects so these are private cables and we get exemptions from the European Union. However, now that we have Brexit the meaning of this cable has completely changed. Our most urgent projects are ones that complete the Mediterranean ring and give power across networks from Northern Africa, Spain and Italy. We have identified routes between Turkey and Romania as well as Turkey and Cyprus; we have also identified routes between the Middle East and Turkey. We imagine the projects, prove them and then we move into the political phase which is all together more difficult. We are the only company in the world that does this as a business on multiple projects and most interconnectors are hard and unusual. Our Smart metering business licenses all across Europe and into markets that this business isn't that prevalent in. Smart metering tries to open up communication for our other platforms such as Electriona which allows electricity trading across borders. This trade ultimately allows people to charge their cars or to distribute power to companies.

Borders are either central or peripheral and the peripheral ones are the ones that are more difficult, the central borders have been pretty prosperous from the beginning of time. The Northern Ireland border is peripheral and, looking forward, the border between Turkey and Europe is important. Political pressures strengthen or weaken borders. Most peripheral borders suffer from trade and economic destruction which makes it difficult because there is usually a winner and a loser on either side of the border. Most peripheral borders have black market activities. In Ireland the border was set down in 1921 and it is approximately 450km long; the border from the UK is a similar size. The 40,000 people of the southern border areas have suffered and so has the Irish border because of conflict. In 1940 the border strengthened because of WWII. In the 1970s the bordered weakened, which allowed for people to easily cross it. Later in the 1970s it began to harden again because of *the Troubles* and in 2020, well because of Brexit we may not know what is going to happen to this border. *The Troubles* lead to the displacement of over 60,000 people. It is not often spoken about but this country had a refugee problem. The border region was severely affected by this conflict and it was hard to find a way to fix this problem. Anyway, we had to find a way to resolve this issue and learn to live together. People had to learn the special difficulties between the two parties and they had to remain calm; the wonderful achievement of Mr Ahern and Prime Minister Blair was this great sense of calm that they gave to everyone because it allowed people not to react, and to think first strike later, which led to peace.

The huge lesson of the peripheral border is that they all have the same story to tell but sometimes you have to go further back in history to find the stories of the other borders. The apparent fact is that if you invest in the peripheral border it will assist with the difficulties and bring prosperity to the whole country. It sorts out everything, not just the border area, and the funny thing about it is the border areas are where people invest least. So this progress could be seen in the High Charity Institute in Dundalk. At the time I came in as chair, five out of every six students attending this institute were the first generation of their family to attend third level education; today only two of six are the first generation in their family to achieve third level education. Once the chain is broken, once a person attends third level education, their children and grandchildren will also attend third level education. So, representation of women in the border area five or six years ago was dismal and way down at about seven per cent. But now, slowly, the representation of women in the border area in local councils, political parties and especially in business has improved. There are over 700 foreign companies that invest in Northern Ireland through government agencies; in this country, my company has partnerships with SoftBank, a company in Japan and every large company in Northern Ireland has their European head office in Southern Ireland. Out of the top ten businesses in Ireland that you could truly say are global, five of them were founded by people from the border region. This can tell you an awful lot because when they grew up in the border region they learned how to be resilient and tough; once peace was achieved they used this to further peace within their country. In many respects, you go in there and you support the entrepreneurs who come from the border areas where the most trouble was because they are likely the ones to create the billion dollar companies because they have that toughness about them. The government and the European Union had projects that

were designed to allow people to trade. Also, there were economic grants that enabled people to do research with universities. Once this interaction starts all of the differences go away.

Brexit will reduce trade in both directions by at least 20 per cent and this is probably a fact. Now we have to figure out Brexit and hope it does not reignite former tensions and differences. Brexit could infiltrate the cross-border trade system because there is a huge amount of money, such as Interreg (EU cross-border cooperation funding) that encourages cross border programmes. So, we have to be careful that Brexit does not stop the normalization of life in the border region. The fastest growing economic scene in Ireland is the Dublin-Belfast corridor. Third level education outcomes have improved by over 60 per cent in the last ten years. Everyone is going to college now and receiving doctorates and masters and they are making great decisions, building great businesses. The peace in the Northern Ireland region is providing a beacon for the rest of the world. Growing up in the border region has taught us that respect is the way to peace. The business perspective has been greatly improved throughout the country because there is much more interaction between Northern Ireland and larger companies such as in the United States, Japan and so on. Fifty per cent of Electriona is about taking unused energy from solar panels from homes or businesses and giving it to those who need it, such as hospitals or charities. We are a product of the border region and the challenges we face are now starting to help us in growing our businesses in the region; our projects are between two different countries and they enable trade between one country and another. The reason we are able to do what we do is because we are from the border and we bring in experience outside of Ireland to build new borders between other countries.



Andrew Griffith, CEO of EuropaGrid presents some of the benefits businesses in Ireland have experienced since the peace agreement.

**Participant Question:** First of all, thank you very much for dedicating your time and for the presentation. Mr Prime Minister, I would like to ask you, what was the income per capita before and after peace in Northern Ireland? What was the average age of the population in Northern Ireland? Lastly, what was the age of the prime ministers who were so quick to shake hands and how long after you were elected did this take?

**Bertie Ahern:** On the income back before *the Troubles*, off the top of my head I don't know but it would have been very small. They did have some good industries such as ship building, linen industries and a fairly good fishing industry. They wouldn't have had a lot of productivity. After *the Troubles* the income per capita between the North and the South was a huge divergent and before the recession in 2008 they were way behind us, about 40 per cent less than that of the Republic, but they have come up really well. From 1998 the income per capita was hugely increased and I would say it has probably doubled. There is still a gap since the recession but it is not as noticeable now. The difficulty is that Brexit could affect this because if Northern Ireland leaves Europe, investors, for example American companies, will not keep investing into Northern Ireland because they come here because it is a European market or a small market. In investment terms there was a huge lift in investment in the last 20 years. But, I would feel this would stop nearly dead in its tracks with Brexit and because of the market.

On the age profile, the population of Northern Ireland is a very young population and we do not have the demographic problems of other countries and the vast majority of people are of working age and the labour force is always improving and expanding. Even with low unemployment we still have a huge young population. Up until recent years we had about half of our population under 28 years of age. During *the Troubles* the population was leaving and going abroad for education. Particularly for the Protestant religion they would send their children for education abroad with no intention of having them come back. Luckily in the South of Ireland we have a big educated workforce, so one problem we don't have is a lack of people. We also have quite an advanced system of technology companies. So you ask, why is this the case? Well everyone working here isn't Irish; we allow green card workers to work here which boosts the economy. Particularly when the World Cup was on, you would see all of the desks of different workers flying their own countries' flags. When we started lifting the Irish economy 20 years ago, one per cent of the Irish workforce was non-Irish. At the height of the boom before the recession 15 per cent of the working population was Irish and they were mainly people of high expertise. Construction industry had a high level of technical students from other countries. The age of Tony and I twenty years ago was about 45 so we both had open minds and we were able to engage with the other sides. In any peace process, you have to make peace with your enemies and not friends. Tony and I took big risks by talking with people who were involved in violence. It is always the difficulty because people would say you are 'talking to terrorists, the people with blood on their hands, essentially murderers.' But we knew what we were trying to do was stop the murder and violence, so it was no good talking to the wall or talking to the cows, you had to talk to the

people who were causing the problem. This is the reason why some of these processes fail: because governments talk to each other and not the people who are experiencing this trouble. If it went wrong I would have not been elected prime minister a second time and I accept that, but the idea was to end the violence and trouble.

The riskiest thing we did in our time was the release of the political prisoners. I thought this was going to be the one that came back on us and was going to be the most dangerous. However, it didn't and only small percentage of the prisoners ever reoffended and a large majority went back to their communities and got involved in activism and civil society and ultimately reinvested time back into their communities. I should tell you, the one we got wrong was we did not make it clear enough how we would decommission arms. So I spent nine years of my life trying to figure out how to decommission these arms. The IRA had support from Gaddafi because he did not like the British and on the other hand, the Unionists received arms from people who supported the British. From the day we signed the agreement in the first year of our office; to fully implement it took 9 years. To make or break it you must start at the beginning of the term because you do not have any criticism from the public so you take a chance and by taking this chance you can see the best results.



Bertie Ahern and DPI CEO, Kerim Yildiz

**Participant Question: You mention that women's groups were very successful; could you give more information about their activities, for example besides engaging in protests, how else were women empowered in this region?**



**Bertie Ahern:** I wouldn't want to give the impression that the biggest thing they did was protest. The biggest thing they did was they activated a whole generation of women to speak out against violence and to hold the hand of friendship to better the outlook of the future. Everyone knew a lot of people who were killed because it was such a small place. Women got involved in the consciousness and because of that a number of them went forward for election and organised. The difference with the Women's Coalition was that not all of them were from one side; they were all from different parties, which helped promote peace. Women and business people both came through and brought sanity and fair talking to the process. Many did not stay on in politics and have taken up jobs in civil rights or UN jobs. They were not career politicians and they saw that their job was to help Northern Ireland, they were not interested in staying on and fighting election after election, they were investing their time in a goal of achieving peace. I think this makes them more valuable because they were not interested in the next election; they were only interested in results. My view is politicians worldwide are thinking short term and are thinking about the next election rather than achieving a goal. Most take the easier route and do not take a chance because they know if they do not take the chance they cannot get it wrong.

**Neal Sweeney, Owner & CEO, Roebuck International:**

Thank you very much for coming and I hope you have an enjoyable trip. My background is in the retail business. I owe a lot of my good fortune to ladies; my grandmother started a retail business in 1937. She was a tailor by profession when she was younger. Interestingly enough, my grandfather was from the north of Ireland and he moved south and worked as a plumber and he married my grandmother in 1935. Prime Minister Ahern talked about how this was a difficult time because of the big north/south divide. My grandfather had a protestant background and my grandmother was a Catholic; but the children were raised as Catholics which was tradition of the church. The occurrence at that time was you had to have permission by the church to get married. Not only did you need permission, you were not supposed to get married at the altar, you were supposed to get married beside it.



Participants during the roundtable with Bertie Ahern.

Being from the north, my grandfather was very straight forward and he said to the Catholic priest if you marry me on the altar I will get married, but if you marry me there I will just live with her. At this time, it

was worse to live with someone when you weren't married to them. So, privately they got married at the altar and that is how the business started. My grandmother started a retail business in ladies fashion and built this business up for a number of years with financial experience. During the peace times, 1997 and 1998, we saw the business have a turnover of 750,000 Euros. We live about 45 kilometres from the border region and would have had a population of two to three per cent coming from the north coming to our shop. The difficulty was that this per cent of northerners would only come down for the day because of the fear factor. It was maybe because of education and they didn't understand but they were comfortable within the six counties in Northern Ireland. What we saw then was from 1997 onwards, particularly with the boom in 2004 and 2008 our business grew to a turnover of 8.5 million Euros. Our business grew from about 2 per cent of people coming from Northern Ireland so there was a large influx of the people. Weddings were huge for our business because the majority of people were buying. It is funny; some of our clothing is produced in Istanbul.



Leyla Alaton, Mustafa Süzer, Aylin Surkultay, Semanur Yaman, and Esra Elmas.

From 1997 onwards people developed a better understanding of the south. People stayed in hotels and stayed for longer, 5 days to even two weeks. Now there is about 25 to 30 per cent of business that still comes from the north. The sterling is strong and if Britain joined the Euro it would have been better for business. Brexit leaves people uncertain about their investments and the future of businesses. As a child we would remark on the bad roads in the Republic and the good roads in Northern Ireland. Amazingly, there was also a lot of investment put into infrastructure, education and showing people that they could travel beyond the UK so there was better awareness. Fortunately, we were all educated to a third level basis and education was big in my family, so coming out of the middle class and to be aware of different cultures was a great opportunity. Also, an understanding of the history was important as well because until I was 17 and went to college, I was very anti-British. Then I understood the background and education is the most important thing for me. Finishing off I will say that one person in my house who we all admired was my grandmother and she helped us all too. My father was a teacher - a lecturer - and then farming as well; my

mother and my grandmother were also two very hard-working businesspeople. I am Catholic but my cousins were Protestants; my father did grow up alienated but this is why education is the most important thing, because it bridges the gap between people.

**Participant Question: Do you think that, especially in this Brexit period, the economic benefit that you gained from peace will be a strong ground for people to continue to ask for peace? After having peace, after having this economic power in parts of Ireland, does it give you strong ground if you have any trouble after Brexit?**

**Vincent Maguire, CEO, Walsh, Maguire & O'Shea Building Contractors:**

Initially, I think people are unsure on how this will pan out and we do not know what the model will be like, so this is where people are concerned. Also, regarding the border, people are concerned if this is going to be a hard border and whether this will be disruptive to people going about their daily life. Exports and imports is another concern but generally speaking, people are hoping that it will work out in some way and that it wouldn't affect them too badly. Again, we have to wait and see what happens and people are waiting to see results and how things generally play out.

**Participant Question: So the strong economy you have after peace is like a tool that you have in your box, if you have any type of trouble in the upcoming picture it can be a type of stable ground. So this is a very convincing reason and it should be a big advantage to you?**

**Bertie Ahern:** The people in Northern Ireland voted fairly strongly to remain and there was only one party in Northern Ireland that voted for Brexit and they are the largest party but many of their own members did not vote this way. They took the side of Brexit on the basis that it was going to lose anyway but they wanted to stay close to the UK. The difficulty here as compared to a larger country is there are no visa checks or security. So, as business people, there is an easy movement of merchandise out of a factory to Northern Ireland, the UK or even mainland Europe, it is all free-moving with little difficulty. Our big concern is not just the border between north and south; it is also the border between the EU and the UK. This will be hard and this has to be left alone but there are many difficulties. My honest private opinion is that the British got this wrong and they did not think of what might happen if the majority voted Brexit. They didn't work out how it could work and how they could manage it. There has been little progress on this and they say there are new free trade agreements with a bunch of other countries, like Turkey, who are even in the customs union and I personally think the British government are talking nonsense. However, as it goes on we will see because time tends to be a good indicator.

**Participant Question: With regard to mediation, when did business people step in? And in terms of any political concerns you had, did you share this with society and how did this work? Who were the most prominent business people involved?**

**Bertie Ahern:** The challenge after long conflict in trying to carry the electorate with you was to explain the effort for peace, unanimous peace. The biggest difficulty is trying to be fair handed and not trying to pull strings. We genuinely were trying to promote peace as unilaterally as possible. It was mostly negotiating and being prepared to make compromises. There were eight months of negotiations and the long period of implementation. The public were tired of violence and they wanted to see us succeed but they did not really believe we would succeed. The opinion poll before our negotiations had 90 per cent of people saying we would fail with only ten per cent perceiving success. Business people had to be brave enough to stand up and there were very few because it was dangerous. When there was an agreement we had to put it to the whole of Ireland, north and south, so it went for a popular vote in May 1998. This is really when the business people got behind this and fortunately it was right when we needed them. Trade unions, big business and even farmers got behind this. I even met with all of these groups and told them they needed to campaign and they needed to be involved in society. This was really the first time we asked them to do it because we knew it would make a difference. During the negotiations civil society, trade unions and some of the businessmen were quite involved, but the number of them that were involved was not that many. But when we asked them and they had something to sell they did it across the board.



Özlem Zengin, Nilüfer Bulut, Aşkın Asan, Reyhan Aktar, and Sevtap Yokuş

**Participant Question:** How did you convince people that this was a good process for them because the numbers were really not in your favour?

**Bertie Ahern:** It was ninety to ten thinking that we would fail - they thought somebody would object. It was not so much the terms - once the terms of the agreement came out many people said to me the most read

document probably ever in Ireland was the terms of the peace agreement, people genuinely read it and they were intrigued to learn more about it. Bigger crowds turned up to these events and asked would you reform the police and how would you do that. Many questions were asked which showed involvement. So this was genuinely debated and we did open forums. I did 42 rallies around the country.

**Participant Question: How did you go about getting rid of the arms stocks?**

**Bertie Ahern:** It was agreed that we would get international help, but the hard bit was actually getting this international help. We had to really spend a long time to convince the political movements, whose friends had the arms, to actually destroy them. This is what took the longest - about 7 or 8 years. These had to be destroyed in the hands of an international independent commission. We knew we could not give them to the government but the general who oversaw this destruction was a Canadian army general assisted by a Norwegian, a guy from the Netherlands and the inspectors were from Finland and South Africa.

**Participant Question: What did you do to manage the process between the parties to the conflict and how did you overcome challenges?**

**Bertie Ahern:** Maybe I should briefly explain the settlements; in Northern Ireland there would be a new assembly with ninety members elected by constituencies and proportional representation. Then, the government or what is called the executive is picked from each side, so there are a certain amount of seats for the majority and the minority which had to work together as the executive. The government is made up of both sides and there are still some arguments about this but they worked very well for about nine years. This made it easy because they were all sharing power and there wasn't an opposition. Politicians were suffering from things that usually are not seen around the world; everywhere else the politicians want power but in Northern Ireland it is very hard to get the politicians to sit down and share power. To convince the public was hard because they wanted to see them move on and get on with everyday issues of health, education, infrastructure and welfare for older people. Over a period of years, Tony Blair and I had to explain to our own parliaments to get them to work together and it was how we convinced them but as we know this was a process and it took a long time. The reason behind the success of the agreement was because it was inclusive. There were many parts of the political sphere who were directly involved within this process. People felt they were on the inside of this process and that they could see what was going on. There were some games played and there are current difficulties about an Irish language bill, which frankly I do not think is something that should be so prevalent right about now.

**Participant Question: What about spoilers, were there any during the course of your efforts?**

**Bertie Ahern:** External spoilers, yes, but we did get strong support from the EU and the United States after the decision. People ask me if it was left in the hands of the Irish people would this have been successful? I say no, I don't believe that in conflicts that people will solve it on their own, there has to be external help.

Conflict is not resolved by people who are always fighting deciding to stop and come together. If we didn't have the help of President Clinton, who was prepared to help us with the decommissioning of arms, we would still be fighting this conflict. So, this was a group effort all in all.

**Participant Question: What was the most difficult part when it comes to social perception; what was the most challenging issue for you? Also, what about reconciliation in the community, did you have this? You talked about Brexit concerns, is there a possibility for this to negatively affect the Good Friday Agreement?**

**Bertie Ahern:** There were many problems but I highlight decommissioning because I always felt we were too vague and it would have been easier if we were clearer. We did not negotiate directly with the IRA; we negotiated with the political parties which made it more difficult because it was hard to trust these parties. Once you were dealing with decommissioning, trust was a big issue and you always had to ask if one side would really do what you ask them to do in the crunch time. MI5 and MI6 have a lot of security bureaucrats who would play games, an example of this is the whole institutions were suspended because Sinn Fein offices and the government buildings were raided for arms. The BBC was informed before anyone else so when the police came charging up the stairs the BBC was already at the top filming all of this and it created chaos. Nothing really was found besides screwdrivers and bolts. These were the security issues that were most prevalent

Tony Blair and I always dealt directly through our personal line. All the calls done before my time were taped and what was said was circulated to all the departments. Tony and I stopped this and we dealt directly; I trusted Tony Blair.



Brendan Lynskey, Leyla Alaton, Mustafa Süzer, and Aylin Surkultay

**Participant Question: What was the role of the religious people in this process?**

**Bertie Ahern:** I dealt with Ian Paisley for about eight years before he decided to shake hands with me. He voted against the agreement but when we had a review of it about eight years later he supported it. We ended up good friends but we didn't do a truth and reconciliation commission. What they have is a historical tribunal where old cases not dealt with in the early years could be examined. This was a historical commission where, as new evidence unfolded, they can go back and look at these cases as well as charge people who were involved in murders up to 30 years ago.

I should have explained this important point, but when we released the prisoners they were released on license so if they reoffended they could be brought back; even if there was new evidence they could be brought back. So this was probably a reason why they didn't reoffend. I was not a huge supporter of this but it was found that it was necessary. I do not believe Brexit will cause violence to start again but it does create an instability that we could do without. Theresa May made a mess of the election and now she is making deals with the DUP which has given Sinn Fein a reason to be arguing. So Brexit is causing - and indirectly relating to why she had the election - a problem but not one of violence. One side will say that they do not accept our mandates. I believe in a united Ireland but not one that is one-sided; there must be agreement on the terms; there can be no forcing of the agreements. This will not happen in the short term. Anyone saying there should be an early vote on uniting Ireland only wants to cause trouble because in the short term this is not plausible. I am against my party on this issue as I believe a longer term approach is better.

**Brendan Lynskey, Managing Partner and Director, Roebuck International; All-star Hurler and All-Ireland Hurling Champion:**

Just to relate to sport, during *the Troubles* this was a common ground between people because it doesn't matter about the colour of your skin or your religion, all that matters is the jersey. That is the great comradeship that sport has to offer; this can be related to soccer in Turkey. I think Bertie has been modest with the difficulties he has faced in Northern Ireland and these inner dealings with Tony Blair. He took huge gambles and nobody else would have done this and we are eternally grateful to Bertie, Tony and Bill Clinton who had the foresight to move our process forward. Bill Clinton offering Gerry Adams a visa was also a big step. His certainty put his life on the line because Gerry Adams was the leader of Sinn Fein, which was the political wing of the IRA. In the meantime, even sport in Northern Ireland was difficult because the British army would put their outposts on the GAA grounds. They used intimidation factors like flying helicopters low but this did not stop people from playing and this is something to take out of here - getting kids involved in sport. Sport has the potential to bring people together.

**Bertie Ahern:** We are grateful to your group and if any of you need to be in contact with us we are always delighted to help and we thank you for coming and, as always, we thank you for your interest in what is going on here.

*End of session.*



Tuesday, 11<sup>th</sup> July 2017 - Dublin

## Session 2: Chambers Ireland Briefing on Cross-border Trade Linking Businesses in Ireland and Northern Ireland

Ian Talbot



Ian Talbot discusses cross-border trade in Ireland

### **Welcome remarks, Frank Smyth, Conflict Resolution Unit, Irish Department of Foreign Affairs and Trade:**

Hi, my name is Frank Smyth. I am the director of the Conflict Resolution Unit here in the department. I met some of you last night and I have also met some DPI representatives before. We are here for a full day; I will start with some logistics and a short briefing from the chief executive officer at Chambers Ireland. We have an array of speakers from business, journalism, academia and a former member of staff who worked during the Northern Ireland peace process. That is the shape of the programme; our aim is for short talks then some questions and answers from the participants. The idea of today is to give a sense of the peace process and to give a sense of how business has developed during the peace process. I am not going to delay any further because it is always best to hear from our experts and our first one is Mr Ian Talbot from Chambers Ireland. He seeks to promote competitiveness of businesses in Northern Ireland and represents the interests of business members. This organisation is involved in cross-border work and the northern part being governed by the UK. Without further delay I will ask Mr Talbot to speak with you.

### **Ian Talbot, CEO, Chambers Ireland:**

Thank you, Frank. One of the challenges for Irish people is we tend to speak fast and I will speak slowly for the interpreter's sake. It's great to see you all here and it's great to see how much success we have in Ireland and how it is recognized elsewhere. The Chambers of Commerce network in Turkey, or the TOBB as you call it, tends to get a lot of government funding. We are slightly different though and in Western Europe the tendency is more for the private sector to be involved in these organisations. But we are all

trying to ensure the economic environment supports social and political environments as well. We operate through forty six chambers around Ireland, both north and south. In the north, the chambers tend to be affiliated with both our organisations and the British chamber of commerce. They feel they have full Irish and full British camps. After the UK election that took place 3 weeks ago, we can see a small party in Northern Ireland is actually holding the balance of power in the British parliament in Westminster, which is unusual but we will see how it plays out. On a global scale, Chambers Ireland is a part of two organisations, one is Eurochamber, which is a network of EU and EU associated members from different countries. For example, Turkey is a member of that union. The mission of Eurochamber is to promote business across European countries and it is a policy-based organisation, most of the staff are working on policy trying to influence EU policy, and also trying to ensure EU funding goes to appropriate sectors and projects. The second organization we are a part of is the International Chamber of Commerce, which is a global organisation based in Paris and it was established in 1919 just after WW1 and the founders' primary objects were to ensure that the first World War didn't happen again. They described themselves as the merchants of peace, looking to use free international trade to minimise costs, tariffs and barriers to trade and barriers to immigration. They had a good first ten years and although their second ten were not as good, they have been doing very well since. They run a court of arbitration to facilitate disputes between businesses in different countries. About five years ago they established a court in Jerusalem to interact in disputes between Israelis and Palestinians. These are some of the specialist areas that they see themselves in and this year they received observer status at the UN. This would have been the first business organisation to obtain this within the UN. This is significant because only about twenty organizations have observer status in the UN. The primary role is to make sure that business input is in line with the UN Sustainable Development Goals. This is an area that is good for the future of the global economy.



Ian Talbot, CEO, Chambers Ireland

They are excited about the opportunity in Ireland. Turning onto the next slide is policy work; the Republic of Ireland's increasing competition, advocating for more investment in infrastructure and supporting small businesses. It is hard to lobby the government of Europe and it is one of the challenges. The parliamentary function in Northern Ireland is not working and falling apart. You are all aware of Brexit and at the moment the Irish voice is not very strong at Westminster. DUP is holding the balance of power in the UK and the other party, Sinn Fein, refuses to take seats in the Westminster parliament, which are challenges to Ireland. This is a question of different cultures; the politics of this situation will be discussed more later on today. Internationally, our main goal is promoting trade and comparing the EU single trade market while looking at how Turkey has direct involvement, making things better for consumers and businesses.

Some of the concerns we have internationally: one is the rise in protectionism and the breakdown of the rules-based order. The anti-trade sentiment that we are starting to hear, I am sure we all have heard Mr. Trump and his rhetoric which seems to be based on the use of social media rather than wealth and all out economic policy. I suppose for fifty or sixty years the United States has acted as a global leader and the US is trying to advocate this role. I do feel this will change over time, but at the moment it is cause for concern with uncertainty. The next thing is the future of Europe and again, this is moving very fast. A year ago I think there was more concern for the future of Europe and through the Brexit vote the people of the UK, a small majority, expressed their wish to leave Europe; however I am not sure they fully understood what they were asked to vote on, but ultimately more than 50 per cent chose to leave Europe. This saw a rise in other countries in a sense that if Britain is leaving the EU, perhaps we should look at it. However a year later we can see how very pro-European mandates are coming into effect with the Netherlands and France.

The impact of Brexit for Ireland is very important. Our transport links are important and our access to the other countries. Things like our energy infrastructure are great and fuel is imported from the UK whereas a significant amount of trade has been done with the UK, about 35 per cent of global trade is with the UK. So, it doesn't seem that significant but if you look at foreign direct investment and multinationals such as Pfizer, 80 per cent of small business of trade is with the UK and, in the nature of things, small businesses employ a large proportion of the citizens. Another aspect of trade is traditionally, trade has been done with the UK as if it is a domestic trader. So, trading with companies within the UK is like trading with your neighbours. There was an issue with the currency but we did not need complex decisions, and we traded as if we were neighbours.

Now, back to Northern Ireland; this country is a part of the UK. That means the Northern Irish economy uses sterling rather than Euro, and traditionally before the Euro was created, the Republic of Ireland used the Irish pound. Broadly, the Irish pound tracked Sterling, which was somewhat informal; generally, the Irish bank sought to make sure the relationship was close. The UK traced the Sterling and sought to make the relationship good. The north-south relationship with the introduction into the EU was driven by the German economy. But still, geographically, the market was extremely close and the population statistics

suggest that this was better for the south of Ireland. Other than the exchange rate difference, everything else was favourable for organisations on both sides including the common language. Even though the exchange rate volatility caused some problems, the trade between the north and the south was strong. Turning more to the peace process, the border is about 480 km long. Looking at the size of Ireland and I say how can it possibly be that long? This is because there are no straight lines on the border and it constantly weaves in and out along the line. We built a motorway between the north and the south in the last few years and the border according to Google maps has one section of the road, three out of four lanes are in the north of Ireland, and one is in the Republic of Ireland. We really don't know how many roads cross that border, but there seem to be about 200 that cross the border.



Gamze Cizreli, Özlem Zengin, Fatma Kezban Hatemi, Nilüfer Bulut, Aşkin Asan, and Semanur Yaman

Going back before the peace process, only about 10 of those roads were formally manned by the British army. The other 190 were blocked by rocks thrown into the middle of the road or they were manned informally by roving cars and helicopters. You may have been stopped by two Heli gunships, which does not sound like Ireland but it was the reality of the border. During that time businesses kept trading with each other and apart from the currency there was still common language and no tariffs on watch. Particularly the fear of Brexit is the divide in peoples' homes so smuggling is a big issue with Ireland being a part of the Union. Smuggling is used as fundraising for some of our armed militant groups, but now smuggling and drug dealing is still at that border. So, these are some of the serious concerns about Brexit. Cross-border movement is another big concern because there are so many roads; looking at a map there is a town called Letterkenny in the Republic of Ireland and the only practical way to get here is to drive through Northern Ireland; it is very close to a town in Northern Ireland called Derry/Londonderry. These two towns make a single economic market because you have cross countries - people work in one place and live in another.

Every day, 30,000 people cross these borders to get to school or work. There are many issues revolving around this area that are arising from Brexit. Talking more about the peace process, it has been great in getting the communities to think outside of being an enclave. From a republican of Northern Ireland's point of view, it wasn't that inviting to go to Northern Ireland because there was a sense that people would see your different car registration and not like you. This was a nation that had come under pressure and we had to overcome these obstacles. It made the tourism industry better. A member of ours named "Finnegan's" from a town called Bray which is about 15 miles south of here and the owner has been building up his tourism business by bringing people on tours to include many places in the south of Ireland and things in the north of Ireland. So when tourism is booming, businesses are booming as well. Brexit will be hard on us because these things may be under threat. The sterling has become an issue since Brexit and the sterling has weakened. It may be that the British government will want the sterling to weaken because it might facilitate doing business.

Several businesses were based in the border areas but by using a supply chain moved across the border. A good example is Guinness, our famous beer brewery. It is about 260 years old and the first brewery is about 2 miles from here. Their advertising campaign states that 260 years ago they signed a 9,000 year lease; so they have another 8,740 years to go. This company is also very strong in corporate responsibility because they have built many state buildings. They embraced using the new found peace in some of their products. There is a product called Bailey's Irish crème; it is a milk-based product and is produced along the border between North and South of Ireland. The milk is produced in the Republic but the bottles are produced in the north. They also have two pasteurization plants, one in the north and one in the south. So half of the bottles go south and half go north while the milk goes through the same split. It is packaged in two different places one north and one south and if you look on a map it is all on a straight line because the border is by a port. Every aspect of production crosses the border. Now, they are scared that if the border is reintroduced it will cause delay to their supply chain and it will be weakened. There can be many reasons as to why costs could eventually dry up and cease. They are concerned about tariffs because if you look at WTO tariffs some products in the agri sector attract high tariffs. There is a wonderful opportunity to make sure the negotiations of Brexit will let us keep the implementations in this. The Republic of Ireland is known internationally for having a 10 per cent rate of corporation tax; we introduced that rate in 1987 for manufacturing. Germany at the time had state and federal tax that was about 65 per cent and in Denmark that could be 75 per cent. So Ireland came under pressure from European Union partners to make sure if they were providing services there would be real operations in the country. Two things have happened at least, since then, we increased our rate to about 12.5 per cent in the late 1990s. Also, we insist companies would want to increase the tax rate and employ a significant amount of people. There was an issue a couple of years ago with Apple as they were availing of a piece of legislation that dates back to the 1700s, literally, that we have now changed in Ireland. But Apple employs 6,500 people in Cork that is a town of about 120,000 people; so Apple employs about 5 per cent of Cork's population. Britain has had various

announcements on reducing rates but there are talks of about fifteen per cent. Many European countries are heading towards 25 per cent rather than the traditional thirty five to forty per cent rates. An awful lot of other countries are not focusing on corporation tax but they are focusing on employment, quality of that employment, education and profits, although it seems that profits are not their only focus now. One of the things that the Northern Irish parliament did when it was operating was they wanted the Northern Ireland tax rate to decrease. In the absence of a NI executive things are going nowhere. The peace process has brought the opportunity for us to think on an all island basis about our economy, our grant aid, our EU support, common tax, VAT, but there is a fear that Brexit may undermine these types of things. I will now take any questions if you have them.



Participants during the roundtable with Ian Talbot

**Participant Question: What were the two groups who had a part of the vision and in terms of bridging the gap now faced and building trust, what is the priority within these procedures? If there was a new roadmap what would your plan be?**

**Ian Talbot:** It is very rare to have dispute and the reason is that court systems both use the common law system that comes from the same base and the Irish government would have taken the UK legislation. The legislation on companies was updated in 2014 but it goes back to 1963. This was considered interchangeable and was trusted in the courts. Legal professional disputes are rare but they are facilitated through the court systems. The trust became a matter of time and above anything the most important process that was going on was disarmament as guns were put out of the Northern Irish system and communities started trusting each other. The Republic of Ireland was very trusting as well, as this process took time. Sport can resolve issues, some sports are separated but others are all island sports like rugby. Going back to the start it showed the populations and now there are all island leagues. Intertrade Ireland was established by both governments to facilitate trade and communication which was a great thing. Communication can take the form of several banks and documentation and improving roads make it easier

for travel. Now it only takes about 2 hours to get to Belfast from Dublin. The area where there is still in a gap is there is no direct road to Derry/Londonderry. There is no road that goes to Derry/Londonderry from Dublin. Opportunity for lobbying to connect that part of the island has been put into effect by some of the population. This becomes more challenging if Brexit is introduced.

**Participant Question: What was the growth rate in the economy and what was it before the tax incentive?**

**Ian Talbot:** We measured this more in terms of the rate unemployment. The unemployment rate in Northern Ireland through the 80s was upwards of about 20 per cent but we solved our unemployment. Also large numbers chose to emigrate. People even went to Turkey in the 80s. The population was dropping as it was down to 2.9 million people. Even as it dropped people were still unable to find work. By 1998, unemployment figures were down to about 7 per cent. So it wasn't so much about GDP as it was about unemployment. During the financial crisis, from about 2009 to 2013, unemployment rose to 15 per cent again, now it is back at six per cent and at 6 per cent we are nearly at full employment.

**Participant Question: How about the impact of unemployment on informality and on the economy?**

**Ian Talbot:** In the 1980s our taxes were not terribly effective. Taxation authorities are now very strong and from a business perspective the revenue authorities businesses rebelled against them. If no taxes were being paid, you, the reputable business, had to pay more for the people who could not pay. Now the business communities were saying that compliance was the thing to do. Going back 20 years, people would say, can you not fight against the penalties for tax avoidance? I don't know what my organisation did back then but now we say, the law is the law; if everyone paid their taxes there would not be sanctions, so paying your tax is the right thing to do. The Irish government cannot disproportionately tax our companies against competitors.

*End of session.*

## Session 3: The Good Friday Agreement and Opening spaces of Nonviolence

Tim O'Connor



Discussion with Tim O'Connor

### **Tim O'Connor, Irish Diplomat and member of the Independent Reporting Commission:**

Thank you everyone, my name is Tim and I am honoured to be here. The first reason I'm here at this DPI meeting is because Frank Smyth told me to and whatever Frank tells me I do! He has been a great friend and colleague for a long time. I have spent nearly 30 years working in this house; I started here on the fourteenth of May 1979. I worked in the peace process in Northern Ireland, which was my main thing, but I was also consulate general in New York. For my final posting from 2007 to 2010 I was chief of staff to the President of Ireland. In 2010, at the age of 57, I decided to take early retirement, I had 37 years done in government and I wanted to do something else; I wouldn't call it retirement, I would call it a reinvention. So for the last seven years I have been doing two things: half of life is voluntary work that interests me and the other half is a small advisory business that I do working with small companies as a conciliar, working as an advisor to people. I have had a privileged career-life and hopefully there is still much to enjoy. I started working in the Northern Ireland conflict in 1986 for 31 years and the Irish Government has recently appointed me to a Northern Ireland commission dealing with the ending of paramilitaries in Northern Ireland. So I am back formally working on the process again, which is a great honour. One of the reasons I am here, apart from doing what Frank tells me is because we owe a great deal to the support of the international community. They were a great help for us in bringing back progress in our peace process, so we have a duty to support conflict resolution elsewhere. The second thing I would say is we can't tell you the right prescription elsewhere because conflicts are different. What we can do is tell you our experiences



and lend you our stories which can be helpful.

I know you all have a strong business focus and that was one of the things I saw myself working on after the Good Friday Agreement. The role of business, as I would put it; business is the oxygen of peace because if people are in conflict and now they have to find ways to work together, doing business is a great way to connect. You are building trust, there is a virtuous cycle of more contact and trying to do more together; trust is important to our world. To put this in a small frame, I am a big fan of anniversaries; in an old conflict like ours, time is a big factor and the root of our conflict is very deep. Time is a big factor and we can boil our conflict down to a combination of people, place, time and a sense of home. In a curious way this conflict is about people, who passionately love the same place, but it is hard to differentiate between what's mine, what's yours, or what's ours; the real issue is sharing. You could pick any moment, but the critical moment historically was probably 400 years ago with the settlements and colonization of the 1600s which brought people mostly from Scotland into what was Ulster at the time. There were different ethnicities and religions so there were different politics as well; at the beginning there were two fundamental differences on this island and the contradiction has continued into today.

Well, where does this stand today? Well I say the fundamental contradictions politically are at the heart and as profound as they were 100 years ago. The only major difference is that through the Good Friday Agreement signed nearly 20 years ago, we have found a way to manage these contradictions peacefully though politics. There is no government in Belfast because the standoff that reflects these contradictions is still in play. The issue of why they cannot form the agreement is because of the role of the Irish language. However, this is actually more symbolic than real. Some say it is a symbol and it identifies the separation between Ireland and Britain but others say this is Britain and your language does not have the right, it is too expensive, there are other priorities. However, I am very positive about where we are because over the past 20 years it has been a slow process but we have never gone backwards, which I would find to be successful. Some people ask, are they still at it up there? Yes, fundamentally the contradictions are still there and if there was a button you could press to make it all go away I say show me that button. But it is a difference between people. We are on our way slowly to building accommodations and building the checks and balances to find what we call parity of esteem. Six months ago, the leader of the Unionist party used a phrase: 'I can't make movement on this Irish thing because if you feed crocodiles they will keep coming back for more'. This was a signal to some on the other side, who said 'see you at the ballot box Arlene, you think we are crocodiles'. Arlene had recognised she made a big mistake and she began a journey of reaching out to Irish language communities over the last 4 or 5 months. Now, she is using different types of language and at the end of a conference about a month ago she used a Gaelic term for 'that's it'. So there are signs even in the last six months that are looking good; the main thing is we have removed the gun from Irish politics.



Roundtable meeting with Tim O'Connor

The space for violence is shrinking and there is no real justification for it anymore. Right now there is no government in Belfast and I am not pessimistic about this because it takes time. You have to marinate it and leave it in water, which is a good process for cooking. Right now there is a process of 'marination' going on. I have a little joke: there is a great rebel song that says 'a nation once again'; so you could say the new anthem is 'marination once again'. We are on a new journey of no turning back and, no matter the reluctance, both sides must cooperate and work together to see results. We can see huge results from the international community and to see people like you here is very encouraging to us. Even if a conflict is old it can eventually be dealt with if the factors come together. In 1986 my job was doing a report on casualties every week and at this time it looked completely hopeless. Gradually things were beginning to happen underground. One of the things that happened was Gerry Adams became the leader of Sinn Fein in 1983. So this was three years before I started this job. Another of my jobs in 1986 was actually observing what Sinn Fein was saying publically. My job was to find comments in writing in the Sinn Fein publications. The world began to shift and the Soviet Union broke up in 1990 which had an impact because the Union was supporting some things such as the Oslo accords and Nelson Mandela influencing us which made us think we have to step up, which was a great factor.

Today we are at a good point and I sit on the board of a Northern Ireland hotel business; one of the hotels that was bombed about 30 times in the course of the conflict but they are resilient and the accommodation numbers for this hotel are about 86 per cent. The Wellington Park is doing well. This is interesting for me as a diplomat to see the areas that are the future and that are being affected by this. I would insist on being hopeful and positive because I see where we have come from. Will it go back to violence? I think not because we know the result of killing; it does not resolve anything and it becomes a circle of violence. Not a line forward and this is where politics enter. The next generation has not lived through *the Troubles* and they have no personal memories of the conflict and this has its impact as well.

**Participant Question: You mention you wanted to prevent paramilitary groups from forming and do you still think this is a threat to the country?**

**Tim O'Connor:** There are people who think the answer lies within the people and the courts asking why are these people still walking around and why are they not arrested. The answer is complex because most of the paramilitary groups are on the protestant or the loyalist side. They have broadly gone away but there is a small group called the dissidents but they are very small, only about 2 per cent, but we still have to watch this. On the loyalist side there are about 7,500 people who are still members of paramilitary groups, largely groups like the UDA and UVF so it is hard to arrest this many people. On the loyalist side the community has been disconnected from politics. The two main protestant parties have not connected to these other communities. The catholic side and Sinn Fein are very connected to each other which are connected to a political process and on the protestant side they are not, which is a problem. Over the last 20 years little has happened to tackle poverty, low education and unemployment; as long as these problems exist, these paramilitaries have a hold on these communities because they argue it is political. Policing is part of the answer and tackling the root cause in these communities. So, it is a good question because this is a complex legacy of the conflict that has not really been addressed. By the appointment of this commission my own view is we must tackle these issues through the twin pillars of criminal justice response and transformation of communities. The children should have the chance at a good life, education, jobs, so that the role model isn't the drug dealer who has Range Rovers and the role model is the one who has the jobs. This is a legacy challenge because of the conflict.

**Participant Question: You mentioned the South African model and its impact on the world, but the Irish did not face up to reality. Do you think this is still a problem, particularly in the North, and also, do you think the fact that they are called 'peace walls' is ironic?**

**Tim O'Connor:** This is why I agree, I still believe the fundamental contradictions are still there; nobody has persuaded the other side of the rightness of their cause. Each looks back through their own lens. Truth and reconciliation commissions are hugely complex because where do you start and where do you end. Right now for instance, there is no beginning and no end. For now, accountability needs evidence that stands up in court 30 years later; it is hard to find this. The irony is that most of the paperwork is held in the hands of the law enforcement and you are trying to tackle security forces, you have to get the evidence from these forces. The actions of the IRA, and other paramilitaries, makes this an enormous challenge for the people. After we said goodbye to our British counterparts we turned on ourselves. We had a very brutal year and a half civil war, not just political enemy against political enemy, but neighbour against neighbour and family against family. So how have we dealt with this? We have dealt with it in an Irish way by never speaking about it again. 400 people were killed in this war and, a historical footnote: they say that the 1916 rebellion wasn't what got the public behind the idea of independence. In fact, it was the public executions that brought the support of the people. Six years later, you have a young new state that has had leaders already

killed and there is no experience. The rebels are fighting them and one day the rebels say they will target the politicians. So, the young PM said to take three prisoners and kill them and this became a trend with 77 prisoners losing their lives. So, our state was found on violence and the legacy of that is that this is how the state has evolved. There was talk after the last general election about connecting the political parties that emerged from the civil war but 100 years on they are still divided. All I think we can do: I heard a great phrase recently that says our primary responsibility as human beings is to be good brothers and sisters.

**Participant Question: Could you tell us about your education policy? Did you change anything in the curriculum in the south?**

**Tim O'Connor:** In 1967 the minister of education introduced free high school education, which was a revolution. Up to this point most people could not afford high school because you had to pay for it and I would say this has been the single best thing we have done. In Northern Ireland the 1947 Education Act gave free education to everyone, including Catholics; if you fast forward 20 years, you had the first Catholics coming out of universities and the first thing they do is express the right to equality. Education is the magic word and history has been complex. We have a booklet about Ireland. With every governmental change the beginning, which was about the history of the state, was changed because this has never been agreed upon between the two main political parties. Each side describes the history differently.

**Participant Question: We try to understand the role of business in conflict resolution and you referred to it as the oxygen of peace. How have they broadened bases and what is the role of the business in moving the peace process from point A to B? Who has paid the political price on the island? What are the risks here?**

**Tim O'Connor:** The answer is, the two political parties in Northern Ireland that feel very bitter that they have paid the price are the SDLP and the UUP. If you go back to 1998, the political deal was made by these two parties and 20 years later, they are gone. This is a tough position for a political party to be in because in order to come back they must accuse their own voters of voting for someone else. These two parties represented the centre. But yes, in terms of who has paid the price, these parties that represent the political centre have absolutely paid the price. I have good friends on the SDLP side who are upset about what has happened. The question here is what types of compromise have we made in the name of peace?

On the business side, the complications were that businesses had to keep their heads down because many were targeted and services who were supplying to the British military became targets. Bribes for protection to paramilitaries were also paid by businesses. So, there have been a whole lot of reasons why businesses had to keep their heads down and keep themselves safe. But when parties came together, leaders said they did not understand business and asked what they were looking for and what were the things we needed to focus on. Back to what I said about the oxygen of peace; a lot of the leaders were good citizens and had a stake because they gave employment options. I am a public servant and I have great admiration for people who employ others. Public servants never have to worry about making pay roll and now that I work with

private businesses I understand how difficult this can be at different points in the system. These are good people who want to be actively involved, but before they did not know how to do this. Now, the businesses are playing a very constructive role.

**Participant Question: What would be the most interesting lessons learned in terms of business communities' involvement? Have business people come together through different experiences? What mistakes have been made?**

**Tim O'Connor:** Violence and conflict are the enemies of business and business leaders have to persuade the politicians that we need to work towards peace. Also, business leaders need to reassure that they will be there even after agreements have been made to back up the process.



Participants ask questions during the roundtable with Tim O'Connor

**Participant Question: What was the approach of the media? Did they support this and what is their approach now?**

**Tim O'Connor:** Business leaders and media are part of the citizenry. Leading up to the agreement in 1998, the media began to understand the change that was happening and that maybe there was a chance that we could break the continuing cycle of conflict. In the whole run up, the media began to build a story and people who were following it were getting their information through the media. Their role was positive in ensuring history was being recorded, which was critical. In the 20 years since then, continuing peace 24/7 is boring, which is a bit challenging for media. Today, two political opponents talked about education; this is much harder to draw attention to. Put this against a story about a huge row today in parliament between two politicians. The media needs certain aspects like drama; I am a bit worried about paramilitaries and the media stir is that these people are criminals and they should be locked up. In fact, some of this is about criminality but more of it is about politics and there is a bit of a challenge in the role of media. Overall, I think the media has been a positive force in driving the peace process.

*End of session*

## Session 4: The Role of Trade Unions, Civil Society and Businesses in Building Trust and Working Towards Reconciliation

Peter Cassells, Dr Kieran Doyle, Pat Hynes



Speakers Pat Hynes, Frank Smyth, Peter Cassells, and Dr Kieran Doyle

### **Peter Cassells, Executive Director, Edward M Kennedy Institute for Conflict Intervention, National University of Ireland, Maynooth:**

As Frank said, my name is Peter Cassells and I am the Director at the Kennedy Institute for Conflict Intervention in Maynooth University, which is an institute named after Ted Kennedy because of his role in the peace process here in Ireland. The institute itself concentrates on building the capacity of mediators, public servants, diplomats and military elites who deal with conflict. We are centred on peacebuilding, prosperity, and security. Trade unions represent both the Republic of Ireland and Northern Ireland; in 1921 Northern Ireland stayed in the UK and the republic left, the unionists continued to represent both parts of the island. So, on the first Wednesday of every month even during the conflict I had to go to Belfast to work with union workers and representatives. On my left is Kieran Doyle and he is here because there is a programme today called 'community engagement' seeking to develop relationships in Belfast in inner city areas with high levels of poverty and high levels of unemployment; these regions also have many ex political prisoners as well. As Frank said before, Kieran was a member of the defence sector and was on the board during the time of the conflict. He also represents Ireland on the European Security and Defence College. On my right is Pat Hynes and the reason I asked him to come along was because I noticed in the CVs that many here are involved in civil society and interested in how to involve civil organisations in the process in Turkey. So Pat, in addition to being a business man, knows about the technology sector. We have in Ireland a centre for peace and reconciliation which is trying to work with civil society organisations in Northern Ireland to build relationships and Pat has been a key part of this through the 1990s up until today.

I am going to talk for a few minutes but with delegations it is usually what you want to know that is important because I can't guess what you want to know and you know best. Don't be afraid to ask any

questions. This is a closed discussion and we will be as open as possible with you. I will refer to three dimensions. First of all, I will discuss the period between the 1970s and 1980s. There were lots of bombs going off and the key to holding society together but also to opposing those who were perpetrating the violence were the business groups and trade unions and civil society organisations. Most of us under those circumstances would look to government through the political parties to do something, which is crucial because there is a balance between development and politics and there has to be a security dimension because without it there will not be progress in other areas. Civil society involvement was important because it enabled the politicians to show leadership and to take risks but also, to fireproof to some extent. Groups like us could reach across and try to ensure that the business and civic groups were key to building links. Obviously, from the point of view of trade unions, that we represented both north and south was convenient because it meant we could arrange meetings, conferences and workshops that could involve everyone. This made it easy for both sides to discuss things such as health services and unemployment, rather than the issues that were dividing them. In addition, they played the crucial role of putting moral pressure on people who were engaged in violence. When there were major atrocities, either in Belfast or London, the unions and civic organisations used mass gatherings to put their point across. During the conflict this was important and during the process itself in the late 80s early 90's people began to move and really started to want to bring the conflict to an end. First of all, the historic and political context is different and some of these ideas are key lessons. One of the key lessons is that this is a process and there were several attempts to bring this conflict to an end almost over 30 years; eventually, there were enough building blocks to move forward. Now, a key part of these building blocks during the process for the civil society organisations were things like jobs. Unemployment acted as a recruiting ground for these organisations. This is not a justification in any way, but jobs enabled young people not to be brought into the paramilitaries. Attracting inward investment is crucial because it had fallen off. Rebuilding with inward investment had to be done because not many internationals wanted to invest. Tourism was affected as well because why would you visit Ireland when there was fear that the train you were travelling on would be derailed or destroyed. The business groups could support political leaders to take risks and fireproof these particular agreements.

Today, the civic organisations, women's organisations, unions, and businesses play a key role in the post conflict situation in getting engagement between the two communities in the north as well as trade between Northern Ireland and the Republic of Ireland. Also, between the east and west, between the United Kingdom and us; these links are important from the point of view of ensuring that the conflict does not ever arise again. There could be differences to resolve through political or civic dialogue. This infrastructure is what people tend to look to, as opposed to looking at how the parliament is working and how the executive between the two sectors is working to engage these departments with each other. The total infrastructure between civic organisations, business links, unions, women's organisations and universities engaging with each other creates a partnership where it would be difficult to see anything



happening again. Reconciliation is hard because integration is crucial. I just wanted to give that broad picture of what the roles of institutions were in this process and if you want to raise questions now would be the time to talk about reconciliation.

**Participant Question: When you define an NGO do you look at the impartiality of this organisation? What if they have a political stance and how are they integrated into this process? I am sure it was different for different NGOs. How did you benefit from NGOs and what was their strongest mission in bringing people together? Did you differentiate between NGOs and were their contributions different in any way?**



Pat Hynes discusses the role of NGOs in the reconciliation process

**Pat Hynes, Former Irish Politician and Mediator:**

Not many NGOs were trusted or had credibility; this number was perhaps a handful and they tried to be independent in many ways whether they came from a secular civic space or a religious space. So you had religious leaders leading NGOs based on the morality of their opposition to violence or you had groups who were formed around civic principles and citizenship in regard to equality of the people. In this sense, their opposition to the violence wasn't a party of different NGOs, it was a small number who worked quietly and established a principle of creating a safe space. In conflict the space has to be physically safe and respectful. Trust had to be put into the organisation.

**Participant Question: What was the most successful contribution that NGOs made? What was the area most affected in terms of rehabilitation, violence and creating awareness? Did they assume responsibilities or make contributions?**

**Pat Hynes:** We had to repair relationships that were badly broken, so the relationships were fundamentally important as an outcome. If you could repair the relationships broken you could repair social and economic *the Troubles* that had been consequences of violence for 20 years, but this was also dealing with violence from hundreds of years ago. The NGOs would have been operating in a private space and the outworking of these relationships were only apparent when political party organisations and business people began to speak differently in public about other communities.

**Participant Question:** You have great experience on developing educational programmes, do you have any joint programmes with other universities? Say in Turkey, for example? If not, are you interested? I would be very happy to work with you.

**Dr Kieran Doyle, Assistant Director, Edward M Kennedy Institute for Conflict Intervention, Maynooth University:**

Absolutely, that's an aspect of our work that is important and we work in the Kennedy Institute where we have three aspects to our work: we have our programmes, our research and external engagements. We work across three different cores that involve mediation and negotiation, the restart of practice which states if there has been hurt in a relationship or community there are ways that you can go about creating an understanding of that hurt, and we work in peace building. As Peter said, we have our diploma programme we have a Masters programme, but our work has an international focus as we sit on the academic board of the European Security and Defence College. This is a network of institutes that trains diplomats, public servants and security personnel in the capacities they need in order to project the EU External Action Service. The speciality that we bring is an understanding of the importance of mediation and dialogue; our government is very comfortable with us being a part of this network and contributing in this fashion because we would see that Ireland has significant knowledge to share with our European partners in this regard. We run programmes in collaboration with Harvard University and over the last four years we have developed a joint programme that prepares people from the Middle East in mediation, negotiation and dialogue skills. Currently there are 5,000 people on European missions and operations across the globe. We have a role in the preparation of those people and training them up in dialogue skills. We also carry out research in this area and how effective it has been when deployed; we look at the preparation of people for deployment into peacebuilding environment. What we are doing there is collaboration with eight other institutions and universities on the building of a virtual reality tube so communities can use external engagement. We work with people all across the world who want to learn and understand the Irish peace process. Late last year, we ran a seminar about the battle of the Boyne. This battle is a significant sight in Irish history because on this site the Protestant forces comprehensively defeated the Catholic forces back in the 17<sup>th</sup> century. You will find out about this when you go to Belfast because tomorrow is the anniversary. We chose this site to have a joint loyalist and republican meeting in order to explore the economic consequences of reconciliation. Within this we looked at a number of

different areas; we looked at the role of social economy in facilitating reconciliation on the island of Ireland. The panel of speakers represented the Irish congress of trade unions, the international centre for local and regional development, which was based in the Maynooth University. This looks at economic development in a working class area and we heard from Tim O'Connor, who you met earlier today. The themes explored included economic interdependence, and seizing the potential for reconciliation. We saw a great potential around this area for the deepening of that. Overall, the role of education in building society investments in social enterprise for the creation of shared spaces. The role of community leaders in Belfast and maintaining peace and safe communities were of great importance. Points raised within these discussions included the need to shift away from functional to relationship building, so even though Northern Ireland and the south have all these processes there is a need for behavioural change. If you look at the wider academic literature it breaks down roughly in to two areas which are essentially process and behaviour. I believe we have achieved the processes but it is the behavioural aspects that we need. Other items that were raised during this seminar were that much of the work carried out by individuals and local authorities needs to be strategically encouraged; people work quite well on the ground and this has to be fostered from the ground up. Borders are the bane of regional development and they necessitate blockage that needs to be dealt with by artificial means of content. Finally, Tim may have mentioned this but the real revolution in Northern Ireland was free education; so that is just one aspect of our work.

**Participant Question: During this 20 year process of peace how have the systems ensuring equality developed through the years? Are there still groups who are discriminated against and are there minorities and so on? What was the involvement of religious institutions during this process and how did you represent your peace talks in the diaspora because you have billions of Irish people abroad? Were the Irish people abroad helpful on issues worldwide?**

**Peter Cassells:** On the question on equality, you have to think of two dimensions to it. There is the equality that affects everybody regardless of whether they were nationalist or unionist so this was one dimension; however the other dimension was the discrimination between the majority community and the minority community. Now, the majority community would give the reason that the discrimination was because there were not committed to the state of Northern Ireland and they believed their commitment was to the Republic of Ireland. So, why would you employ them in public service when they were not committed to this state? The process of bringing peace and bringing an agreement had to address these issues. In my case, we had to negotiate fair employment legislation and its purpose was to provide non-discrimination guarantees for people from the Catholic religion if the majority of the company was of a different religion. It went even further by saying if 30 per cent of the community is from a particular background you have to ensure that your workforce reflected that.

There are still a lot of arguments going on. For example, the minority community will say they have their own language and people want it recognised, but they want to know how far to go about this; will Street

signs and government documents have to be produced in Gaelic? This is all in play at the moment and is a live issue. Diaspora was important both positively and negatively. The positive would be, for example, the EU because they played a big role in supporting peace by committing resources, money for infrastructure, peace programmes to support a community organisation engaged in reconciliation and development of the community. The other big supportive role is the United States. Negatively, you had a situation where groups in the United States had a mind-set that was still back in the 1950s even though society here in Ireland had moved on and people were happy to reconcile with Northern Ireland. We represented workers in the south and north of Ireland. So the majority of our members in Northern Ireland were from the majority community even though we were based in Dublin. My difficulty was a group of unions workers would arrive from the United States and the first question they would ask is: when can we see Sinn Fein or Gerry Adams? We were trying to get them to stop the violence so we would not introduce them to this group. On the positive side were Ted Kennedy and Tip O'Neil who represented groups of Irish Americans who moved in a non-violent way to promote peace. In the end, Bill Clinton played a huge role because he appointed an envoy to come to Ireland and to provide mediation as he constantly visited or talked to the two sides in order to get each side to accept the other. So the role of diaspora was both positive and negative.



Participants discuss with speakers

**Pat Hynes:** I just want to expand slightly on the positive aspect played by Bill Clinton and the American leadership by both the House of Representatives and the Senate in the 1990s when the signals began to emerge that the PIRA wanted a ceasefire. It presented the government in the Irish Republic with certain challenges and difficulties and, in order to meet the challenges, it had to deal with this appropriately. The Prime Minister in Ireland asked Bill Clinton to grant Gerry Adams a visa to visit the United States at a

delicate moment when Gerry Adams was trying to convince elements in his republican movement that there was now, for the first time, an opportunity to end the violence and shift into peace building. This was a huge risk for Clinton by putting his credibility on the line and annoying the UK, but Bill Clinton responded by taking this risk and it allowed Gerry Adams to convince people in his coalition that peace was an option. In this sense this was hugely significant and key in diplomacy. It is important to calculate risk and this is a good example.

Religious leaders played a huge role in beginning to foster new thinking among republicans and loyalists; there were senior religious leaders on both sides who had a different level of moral authority to what politicians could offer. They spoke to the deep fear and identity within communities by developing language and most importantly, they were able to reach the other side whom they were at war with, and develop ideas and conclusions that they would then bring back to their own community to reassure them and offer them a sense of hope. They played this unique role and these two communities were polarised but these church people were significant in developing relationships.

**Participant Question: My question was about education again. So, as far as we know there is segregation in Catholic and Protestant schools here and you always highlight the importance of education when it comes to the peace process. So, I mean what about the content of education and the curriculum, how was this dealt with?**

**Pat Hynes:** The education systems are segregated all throughout Ireland, the north and the south. In the early stages, say in the 1920s, our education was anti-English because you were trying to set up an Irish state so all of the entrances were on our own interpretations of history. Flip this over to Northern Ireland and you have the same issue. In the south of Ireland, life has moved on completely and in fact people now would say it is more a reflection of the past; whereas in Northern Ireland, you are right, you still have segregation. A good question to ask when you are there tomorrow in the context of the curriculum is, are there two different types of history being taught? What interests me and you will see it when you go there is people's perceptions of each other are quite different.

**Dr Kieran Doyle:** The programme actually made them feel more comfortable with each other. Just being in the classroom together influenced them so much - this network of 30 participants, which was split evenly between loyalists and republicans. When we had to include gender balance on the programme, it was initially resisted by the loyalists. The second part was it was difficult to get the loyalists to include youth workers. Not enough time was spent with the people of a different background and the people who participated would come from former paramilitary backgrounds and would have taken part in operations. They would be very close to the leadership aspects of these organisations. The benefit of doing this programme was first, they felt the university was reaching out to them and this was engaging. Lastly, because they were together for four months it allowed them at the end to have robust conversations about

political things that they would not have otherwise. At first we were nervous and at the start they would have conversations that were not too hard, but eventually they started to talk about more pressing issues.

**Participant Question:** You mentioned the post conflict peace process earlier, it looks from the outside that in a short time you had a good process. What do you think is still needed to finalise this process?

**Peter Cassells:** It would be fair to say that at the overall level there has been progress even though the Executive is suspended at the moment. There are probably two or three areas where more progress needs to be made. One is around victims, which needs to be addressed because there has been much loss of life and civil society organisations like NGOs need to address this issue. The second area is the two communities. Bringing them together at a local level needs to be addressed along with prosperity in terms of Brexit. Obviously, with better employment and health care the communities are more likely to come together and they need to come together. There has been progress in the political sphere but relationships need to be in play in terms of that.



Laki Vingas, Emin Ekmen (left), and Peter Cassells (far right) listen as Pat Hynes responds to questions

**Pat Hynes:** The key outstanding issue that currently presents difficulty is this issue of the impact of violence. It's important to remember that if you are a member of the community it might have occurred 35 to 40 years ago but for you it is 35 minutes because these events do not leave people who have been directly involved. The challenge moving forward is for equality and many in these communities feel they are the price of the progress that has been made. The actors in this role need to be respectful and in the best way possible assist communities in a search for a degree of meaning, acceptance and answers around what

has been the most awful and significant moments in their lives. To give an example, there were almost 4,000 victims of the violence over the 25-year period; there were 40,000 instances of violence, so considering the small geographic area of Northern Ireland and imagine the intensity and magnitude of this. It remains the key challenge for us in deepening the relationships that we have managed to repair or begin to repair over the last 20 years or so. These journeys and experiences that have been affecting these places; in some cases there is hope that some perpetrators want to come forward and get into dialogue and acknowledge the harm that has been inflicted. On the other hand we have to facilitate carefully and sensitively an opportunity for victims to hear those acknowledgements and then see how far we can go in repairing their sense of estrangement.

**Participant Question: Five or six years ago when the Turkish government started the peace talks with good intent, they lost a lot of votes in the election that followed and this means that many people did not want peace. Did you meet before peace talks and get any sense of the people's ideas?**

**Peter Cassells:** There are two different experiences, because in the south there would have been a wish to end the conflict in Northern Ireland. There was a different experience in Northern Ireland because the two parties who made an agreement to work together over time lost out heavily. The SDLP and UUP are two of the smaller parties because the main parties are now Sinn Fein and the DUP. The main thing is they are doing politics by peaceful means so even though people lost out in the elections it did not bring back a reversal of the gains that have been made and did not revert back to violence. There was a strong sense by people who would have wanted to bring them into the democratic process and as far as possible for them to gain responsibility.

**Participant Question: What do you think about the world today? We now have Donald Trump, the conflict in the Middle East and we don't know what is happening in the EU. Are you optimistic - do you have any hope for the future?**

**Peter Cassells:** The EU will grow and develop but the populism movement was in some ways a fundamental mistake. I am old fashioned in that I believe in full employment and that you need to give people a purpose in life. Education and investment are crucial. Mistakes were made on these issues when trying to deal with the financial collapse and although we still have unemployment I am optimistic. Trump - who knows? At the end of the day a lot of this is hot air and the world will move on. Ireland is growing and developing enormously because we have a young population and the companies that matter are here in terms of the future, such as robotics, personalised medicine, etc. and investment is growing in this country.

*End of session*

## Session 5: The Good Friday Agreement and Cross-Border Trade

Thomas Hunter McGowan



Thomas H. McGowan (far right) discussing InterTrade Ireland's activities to help all-island business

### **Thomas Hunter McGowan, CEO, InterTrade Ireland:**

Thank you very much. We are a formal organisation set up under the Good Friday Agreement to develop businesses across the island of Ireland. We do this over a number of different types of initiatives; the primary ones are through sales. The body is funded by the government in the south about 2/3 and by the government in the north on a 1/3 basis. We deliver our programmes in that ratio. Very importantly, we try to have a cross border appeal in everything we do. We developed a sales programme in which we assist companies from the south of Ireland selling to the North or vice versa. For companies to sell from the south of Ireland to the north there is a great difficulty because for over 70 years the two economies have not looked at each other and have developed independently. One of the main tasks was to break down the barriers and to get all companies thinking on an all island basis; to do this there must be an element of the opposite jurisdiction in what we do.

Starting with our sales programme, if a company wants to sell we provide an experienced salesperson in the opposite market who knows the market and they make the introductions to companies to supply funds to their workers. This salesperson's salary is paid half by us and half by the company selling. This has been an extremely successful model and has been in effect even before InterTrade Ireland existed. The primary hurdle it overcomes is that the salesperson appointed understands the market, customs, things that will upset people and even accents. A simple example of this is two men picking seaweed and making fertilizer that makes grass greener. They were trying to sell their product into Northern Ireland and were



unsuccessful in doing this. They came to us and we paired them with a salesperson and they now sell to all golf courses in Northern Ireland, all golf courses in the UK, Real Madrid, Barcelona and Arsenal as well as 12,000 golf courses in the United States. Their company went from employing two people to 23 in the first building block. One of the most important things about cross border trade is that 70 per cent of companies who export from Ireland took their first step by exporting using cross border trade. Even though we speak the same language, there are still many differences.

The second programme we developed was called Elevate which looked at micro-companies or companies with 10 employees or less who could not afford the price of half a sales representative. They provide consultancy to assist businesspeople in getting into shape and get focused on what they are actually selling and then provide them with market leads which have been successful within the sector. The second strand is in the area of innovation; this is a unique product on the island and the only organisation that does this. What we found is many small and medium enterprises do not have the engineering or information technology within their own companies to complete this. What we do is we recruit graduates for the company to develop a new product or process for the company and we place the graduate in the company for 18 months and we pay half the salary for that graduate while the company pays the other half while the graduate sets about developing the new process or product. On top of this, we get a university from the opposite jurisdiction that will supervise the graduate to effectively use the technologies of the universities in order to see the number of employed workers.

The third strand we provide is intelligence and research in specific issues. At the moment, Brexit is a key part in cross border trading because we have been working with two EU countries. The UK has said they are leaving the customs union as well as the single market and this has reintroduced trade barriers into the market. ESRI, our national research facility, has gone through every individual product that is traded cross border and developed the tariff and non-tariff trade roots. On an all island basis our innovation and sector savings have increased. So if you imagine the Island to be square, which it is not, we have Queens University in Belfast, Cork University in the south, University College Dublin to the East, and Galway University to the West. We provide experts in their respected fields to give masterclasses which are followed by workshops for individual companies that want to innovate better. We carry the largest survey of small business and we find that companies that export do three times better than companies that don't. It is important to keep this in the forefront because it is a really important statistic. To back all this up we carry out a survey every three months that takes into account 1,000 companies and we ask them and try to understand what their issues are. We have been doing this for the last 15 years. We look at where there is a gap in the market or a difficulty and we try and develop a programme to remove that barrier.

The original idea was to have a sales programme where companies pay half and we pay half, but in the survey we found the small companies could not afford to pay half the salary. Because of this we developed the second aspect of our company, which was the consultancy service for five days. We bear the full cost of

this service. In relation to Brexit issues, for example, we found that 98 per cent of businesses on the island have no plan for Brexit. So, we have now set about a process for them to deal with the fallout that comes from Brexit. In the first instance we get all the information about products that trade cross border and also, what the WTO tariffs would mean if they were applied to those products. We have taken other areas into consideration like price sensitivity and non-tariff barriers, which are very high. Sometimes, we find issues that we must tell policy makers about that affect small businesses and have not been dealt with. For example, energy costs have come up in every survey for a long time now; this is something we feed into the system to ensure the policy makers are aware of in relation to small to medium enterprises.



Özlem Zengin, Fatma Kezban Hatemi, Nilüfer Bulut, Aşkin Asan and Semanur Yaman

We do not provide loans to companies or take equity shares in companies but we do support the business angle network on the island of Ireland where we have wealthy individuals who invest and we give them a structure. This is run for us by the Dublin business innovation centre and effectively we arrange about 300 business agents who assist small companies when they want to start small companies or develop new products. Part of this process is teaching these companies how to pitch or how to prepare a business plan that is credible. They have to understand the language of the bankers, however, and of the funders in order to make a proper pitch. Otherwise, they tend to be unsuccessful. This involves coaching in the art of pitching an idea. We hold a competition called 'Seedcorn', in which there are winners for many different aspects of emerging companies and established companies. We explain deficiencies and make pitches on the same basis as the 'Dragons' Den'. It is where the companies have to go up and make a pitch for the money. The process is to have business plans and explain what the deficiencies are. Another thing we found was that companies have great difficulty in generating ideas to form new products. There are

different parts of the spectrum, but we go through a structure which will bring in different aspects to these. Typically, companies can develop about 60 ideas; we go through each of these on what we call 'fail fast, fail cheap'. The purpose of this is to remove all the ideas that don't match the business plan and typically one or two at the end that will be commercialised. This is intense for companies because it takes a lot of their time, but the ideas are for the companies because they know their market and customers. Behind all of these; the sales, innovation and idea generation, the purpose is to leave the capability to repeat the process over and over again. We go back three years after our intervention to see how the graduates and the company got on. This is where we get our manager report from and we usually see 80 per cent of graduates holding senior level positions. These will hold great understanding and partner in Horizon 2020, an EU programme that assists innovation for SMEs. Effectively, we start in a good position because our base is in Northern Ireland so we have two countries to start with because of Northern Ireland and the Republic of Ireland. We normally only need one other country to make a partnership. Our target between now and 2020 is to raise 175 million euro from EU-funded programmes. To put this in context, the Republic of Ireland has a target of 1 billion euros in the Horizon 2020 context, so it is quite a different sale in the south. These come in the form of research grants for companies in two different jurisdictions but it is usually a company from both the north and the south and at least one other country in the EU. Actual trade between the north and south is six billion euros, three billion in goods and three billion in services. 54 per cent of our services are food, tobacco and clothes but principally agriculture both ways from the north to south and south to north. The difficulty we see with Brexit is that the goods that attract the most tariffs are meat and dairy products, which is a good portion of our trade market. The tariffs can range anywhere from 50 to 60 per cent. Northern Ireland is different from the UK economy because of historical reasons such as the south producing agriculture and the north producing a majority of industrialised products such as linen manufacturing and ship building. However, these have gone by the wayside and now a lot of the economy is supported by the public sector; the number employed in the public sector of Northern Ireland is about 300,000 in a population of about 1.8 million and 295,000 in a population of 4.8 million in the south of Ireland. The payroll is subsidised by the UK government and it costs them about 9 billion pounds every year in Ireland's 20 billion pound market.

Another thing we do is public sector procurement, which is complicated and bureaucratic. We train all companies on how to bid for public sector contracts. These are one-day training events, but it is very complicated and bureaucratic regime that has to be done properly. To make sure SMEs are engaged, we give them training on how to fill out a tender and on top of that we mentor them when an opening arises in a sector that they want to apply for; we usually give them a half-day mentoring session to fill out the form. We also hold, on an all island basis, 'meet the buyer' events and we started first by getting all the public sector buyers, say in the education services or the police force to have direct contact with SMEs and public sector. These events become large and eventually become sectorial based. This has a more focused approach, for example if we have companies in the med tech business meeting with the health services.

This is so they can come and pitch the service they have and actually meet the advisor in Ireland; we have done the same with the water utilities, the governmental side and we will continue to do this on a sectoral basis. One of the last things is a voucher system called the trade accelerator voucher, or the innovative voucher. Basically we give a grant of 1000 pounds to a company in order to get technical, legal or accounting advice about cross border trade. One important report we had recently was with the OECD in 2013. We participated in a study that involved cross border trade between Ireland and Northern Ireland with us at the centre of it. It also looked at Finland and Sweden, Germany and Belgium to see how did cross border trade work on an EU basis. We are the only region with a formal structural system in place; in other regions trade happens between countries but in our case we are the driver of this and we pick out good programmes that will do us good for the future. Are there any questions?

**Participant Question: How do you strike the balance between economics and politics before and after peace?**

**Thomas Hunter McGowan:** There are two parts to this, one is a joint council called the North-South Ministerial Council and all policies from the north and south are jointly agreed upon in that council. This prevents any conflict of policy. The second part is that we are governed by a board of directors made up of 12 people split evenly north and south. In the south they are picked on business experience and in the north they are picked on the basis of political parties. At the moment the two principal parties in Northern Ireland are Sinn Fein and the DUP. Under the D'Hont system, which we use for allocating posts, board members are appointed, but we find once they are appointed they act in the interest of the body and leave their political thinking behind and support our programme, even though the DUP would be opposed to an all island economy. The First Minister in Northern Ireland has been the DUP minister since we came into existence.



Aylin Surkaltay, Mustafa Süzer, and Katelyn Kunzman

**Participant Question: Did this policy help to close the gap between the wealth distribution before and after peace?**

**Thomas Hunter McGowan:** We don't consider citizens at all so we do not look at wealth distribution; however, we work on a 32-county basis where we deliver our programmes to 32 counties but we are not tasked with areas involving social deprivation or unemployment. The administration in Northern Ireland is tasked with the issue of addressing poverty, education gaps, and unemployment. I suppose one thing we could say about the process is that it partly became possible because people in Northern Ireland may not have had hope in terms of developing their own lives. The primary focus is building capability in SMEs and through this capability wealth and jobs will be created. You asked a question about before and after. Before, the unemployment rate in Northern Ireland has been constant because of the public sector employment numbers and since the peace process took place there has been exponential growth in cross border trade. Trade has grown significantly from two billion to six billion in this period. The unemployment rate is lower in the south of Ireland and there has been a boom in this economy as well, but we work on an all island basis. It is difficult for us to separate our initiatives versus the national initiatives in the economy. But what we can say is exports have risen by 30 per cent since the end of the peace process. In terms of the number of people who cross the border, every month 177,000 trucks cross, 205,000 vans and 1.85 million people with 30,000 commuting each day to work. With the border gone, travel for daily commuters is easier.

**Participant Question: The 'golden triangle' system is not working well in the border region; in the meantime you have made so many efforts to integrate communities and support trade and education. How do you predict this evolving in the future in terms of issues such as the transfer of wealth? What about the issue of pensions?**

**Thomas Hunter McGowan:** Currently, there are no difficulties because of free movement of people from the EU and the common travel area. Effectively, before our independence, we were governed by Great Britain and because of this we created a free travel area between Ireland and the UK. We maintained the common area and did not become a part of the Schengen agreement. This may be a problem for EU citizens but because of the common travel area UK citizens should not be affected. Pensions are a big issue and this is part of the divorce settlement in respect of the UK's settlement with the EU. An arrangement has to be made and citizens living in the UK would normally have expected to get a pension in the UK and EU citizens living in the UK would expect pensions as well. So, this will be one of the first items they will have to agree on.

**Participant Question: After Brexit you stay in the EU and the North will go out. Will this propose problems and will this affect your relationship?**

**Thomas Hunter McGowan:** We already have this deal, the Good Friday Agreement, which is guaranteed by the British government and the Irish government and the EU, but this may involve supplementary

agreement because of Brexit. This role will continue and if things should go wrong it means we are dealing with barriers that we thought we had eliminated. But, if things go well we will continue on; if there are no barriers and trade is free this will not pose a problem. In the worst case trade could fall by 430 million between the two countries because of WTO tariffs and the best case scenario of free trade this shouldn't arise.

**Participant Question: Do you have any specific programme for women?**

**Thomas Hunter McGowan:** There is an organisation called Women in Business, which we support, but they run programmes for us and we don't specifically separate out a gender divide between the two programmes such as the board is divided between men and women. There is a big shift in the role of female engineers developing new products and things like that. However, the sales field is male dominated, about 80 per cent to 20 per cent in sales. In the engineering and science fields it is about a 60 to 40 per cent split.

**Participant Question: What is the role of the foreign businesses in the peace process in terms of economics?**

The multinationals are a strong supporter of the south of Ireland but not so much in the north. The primary linkage we have is getting the SMEs to supply to the multinational companies. So, what we have done is developed a report on customers on the island of Ireland and we are now running some things by the multinationals. One example is the multinationals need a population to carry out clinical trials.



Frank Smyth and Thomas H. McGowan

Pharmaceutical companies affect 1.8 million people in the North and there has been a great development of these clinical trials that develop the cancer research of Ireland. Multinationals usually export from

Ireland to the rest of Europe and this region tends not to get huge numbers. They are hoping they will attract more and if they will be in an attractive location. After *the Troubles*, multinationals would not have invested in Northern Ireland simply because of the risk factor.

*End of session*

## Session 6: The Economic Impact of the Good Friday Agreement

Dearbhail McDonald



Laki Vingas, Leyla Alaton, Christian McGee, Stephen Buggey, Frank Smyth, and speaker Dearbhail McDonald

**Dearbhail McDonald, Journalist and Lawyer; Legal Editor and Group Business Editor of the *Irish Independent*:**

It is fantastic to be here. I am from Northern Ireland and I speak very fast. Welcome to Ireland and welcome to Dublin. As Frank said, I am a journalist; I am a business editor of the largest news group on the island. Sometimes, people ask about my identity and I always say I am Irish; I have an Irish passport but I am from Northern Ireland. My mother is from the Republic of Ireland, and my father is from Northern Ireland and what separates their two towns is 13 kilometres, so very close to the border and I grew up on the border. I grew up beside one of the biggest British army bases and the road between our houses was called 'Bomb Alley' because so many people were killed here. When I was growing up security and safety were the main things I knew. So, if I went to school with my lunchbox and left it behind there could be a bomb scare, it was a difficult time and 'Bomb Alley' was restrictive for security reasons, for trade, businesses, customs and it was a difficult time to grow up in, but this is what we knew. I was a law student in 1998 at Trinity College here when the Good Friday Agreement was signed. That was one of the biggest constitutional moments in Irish history. It had an immediate impact in Northern Ireland; I will speak in two ways today, one from the head and the other from the heart. I know you are here to look at the dividend from the Good Friday agreement and peace. The immediate answer was yes but the actual answer is a bit more complicated. Things did not change overnight and even though this was a significant milestone, things were happening even without this agreement.

I have three questions for us to discuss: was the Good Friday Agreement a good economic milestone? Did it produce greater stability and better economic performance? Was there a peace dividend? I know you have spoken to a lot of people and I have a few statistics that might be worth exploring. Since the Good Friday Agreement, 20 years old next year, there are an extra 35,000 migrants in Northern Ireland from the



expansion of the EU. Northern Ireland has suffered from long-term unemployment and in 1981 the number of people in employment was about 500,000 people but today it has grown by more than 250,000 people. 1998 wasn't the cause of this because it was already happening, but we did see a boost. The local labour market is improving. Before the time of the famine, Northern Ireland was one of the biggest economic areas anywhere in the western world. It had a huge manufacturing economy and today Northern Ireland has had to change. Today, we are more into services economy so this has led to progress here. Everything in Northern Ireland has been volatile but arguably the biggest economic factor for us wasn't 1998 but in 2007; the global financial crisis hit us harder than even the Republic of Ireland in proportionate terms. As a northern part of the UK, standards of living have been falling just because the general global climate. After the Good Friday Agreement one impact after peace was house prices went up and after the boom, there was a big bust in the prices. A few other things to look at when looking at a long term peace strategy; there are two types of peace; one is negative peace and we stop the cycle of violence, but for prosperity there must be proper integration and places for people to live and work together. When I was growing up it was difficult because companies did not want to invest because of shootings or bombings and extortion was an issue; paramilitary groups would hold businesses to ransom. All of this is gone for the most part which is good and we should continue this. So, 20 years after the Good Friday Agreement, 90 per cent of housing supported by the state is segregated along religious lines. This is difficult because our school children are vital to economic prosperity and 93 per cent are educated separately in segregated schools; this is difficult when trying to move ahead.

There are a lot of bright sparks such as tourism is very strong in Northern Ireland because of Game of Thrones, which was helped a lot by the peace process. When I was growing up in Northern Ireland, my cousins from the Republic of Ireland were not allowed to cross the border, 20 kilometres away. People come to Northern Ireland today and it is the best part of Ireland. Education has been good and we have higher education rates, which have plateaued a little, but even during *the Troubles* we were building on this as education is a key factor in informing communities and lifting communities out of social deprivation. Education is also a key factor to changing the hearts and minds of people. My own passion is in education and I believe you have to start young. The good news is that businesses who invest there, about 80 per cent, have reinvested there. We have seen a lot of new businesses come here and we are the number one place in the world for cybersecurity and because of this we have attracted strong FDI. Things such as film and media, Star Wars, in the Republic of Ireland and Game of Thrones in Northern Ireland and huge aeronautics technology, such as planes and things. From an economist's point of view or visitor's point of view both can see that economic life is better. The population is living longer and there are huge problems around youth unemployment. There has been a synergy between youth unemployment and disaffection with the political system, I believe this is true everywhere and not just in Northern Ireland.



Roundtable with Dearbhail McDonald

Wages and income are up so there are more people in university. Some economists argue that we should see more of a dividend because they would ask, was 1998 a big step change in the economy? I think if there was no financial crisis it would be a better picture. This set everyone back and the peace and stability led to an increase in housing prices for those who are coming back. Northern Ireland is still dependent on the UK because out of all the regions we receive the largest fiscal transfer of any region amounting to about ten billion sterling per year. Many of our jobs are in the public sector so we need more innovation. I think that there is a real risk that we will be impacted by Brexit. Economic charts tell a different story than actually witnessing these events with your own eyes. For us in Northern Ireland, the border is psychological and in the heart. When I was growing up moving from my parents' house could take longer, like three to four hours instead of 15 minutes; now the only difference is the roads. Northern Ireland during the last 20 years has seen the government collapse three times. When there is no government it is hard to make decisions in the short term and in the long term. So for 10 years Northern Ireland has had a different corporate tax rate to the Republic of Ireland. In Northern Ireland, as elsewhere, political vacuums are not good. What I would say is that the Northern Ireland you will visit is unrecognizable from when I was a child. It is an amazing place. The economy has survived despite the politics. It has a great artistic and friendly atmosphere.

It is unusual to see so many women in the room and I want to talk to you about the role they played. They were the glue that held it together, it could not have happened without them. They called a halt to the violence; in my view it is the women still holding it together today. We are not adequately represented in parliament but in Belfast, the women sadly even 20 years later, there are more peace walls today than there was when I was growing up. Peace walls are in areas where Catholic and Protestant communities are living close together, but not together. There are walls or security barriers erected and there are more of these today than before. I remember reading a great story of a community centre on one of these walls;

this centre supports women and its building has doors for both Protestant and Catholic women that access the same services whether it is support for domestic violence or education. This breaks my heart because our struggles are the same but women have been crucial and they have been to the forefront of education. The peace process has done so well in many aspects; but it will not get to the next stage without the intervention from women.

**Participant Question: To go back and summarise the questions asked; first was the Good Friday Agreement a significant milestone?**

**Dearbhail McDonald:** Yes, without question but in the finer details there is a lot of work that still needs to be done.

**Participant Question: Did it produce greater stability?**

**Dearbhail McDonald:** Absolutely, that has been the hallmark of it. However, I think it should have had better economic performance. When people voted for it, they voted for peace and prosperity. Peace processes tend to fray when the underlying socioeconomic conditions do not support it. That is when difference and resentment become more acute, but again this is not unique to Northern Ireland; income inequality is something that affects us all.

**Participant Question: Was there a discernible peace dividend?**

**Dearbhail McDonald:** Yes, you will see this when you go there tomorrow, you will see the children who are able to integrate. I have a sister who is 25 and she has no recollection of the British army base that we grew up beside or the leading political party members, which is fantastic.

My final question is, an improved business environment is critical and once you get the negative peace secured, business has a huge role to play. Private investors cannot neglect the communities; they have to work with them and particularly young men affected do not feel they are brought into the question. The third part, which I feel is the most important, is if your education is broken, your economic system will not thrive.

Now I would welcome any questions you have and thank you for listening.



Participants ask questions to Dearbhail McDonald

**Participant Question:** Northern Ireland is still dependent on two sides of the island. What are the barriers to focus on democratization or are you going to coincide on these?

**Dearbhail McDonald:** You would think, for a small island we should be working together. The question of a united Ireland is a constitutional question as Northern Ireland is a part of the United Kingdom. The Good Friday Agreement is an ingenious document on which everyone voted. The question of Northern Ireland becoming a part of the Republic of Ireland is what the people have to vote on based on consent. This issue of a united Ireland has accelerated because of Brexit. However, the loyalist or Protestant community have voted to stay in the UK, but these numbers are declining due to the rise in the Catholic population. Northern Ireland has traditionally been supported by London and that support is about 10 billion sterling a year. This may be seen in my lifetime but if there is no consent it will be catastrophic. The worry and concern is that if the loyalist and protestant community is not protected this could spark violence once again. One of the beautiful things about the Good Friday Agreement is that over time there was great cooperation between the north and south without it being too obvious, we have a de facto all island energy economy so both energies in Northern Ireland and the Republic comes from the UK. There has been cooperation in fishing, tourism, and in sport. We are contending at the moment in competition to host the Rugby World Cup in 2023. This will be on the island of Ireland if there is consent from everyone on the island. I am not even sure if all of the Catholics would vote for a united Ireland. This is disproportionately affected by the housing crisis here and why Brexit is such a concern. How do we protect the all island

economy? Economists have evaluated the cost of uniting and they are very interested as the Republic of Ireland is committed to the European Union. Why Brexit is hard for us is because, as an area, Northern Ireland decided to stay in the European Union, but the UK as a whole voted to leave. The large number of citizens who want to leave do so based on practical, brand logistics, which make sense, but the constitutional question is not settled.

**Participant Question: Your population is like a small city and we have big cities in Turkey. We have many international interventions, although it is minor, and when I look at this I feel bogged down by this in Turkey. What do you think about this?**

**Dearbhail McDonald:** I visited Turkey once as a young student and I won't pretend to speak to the complexities in Turkey, but I will say at one stage we thought our conflict was too big, as in the 1980s when terrorism was a part of our lives. There is a tipping point and it is hard to pinpoint one or two issues but for me several young children died after their homes were fire bombed. This was a point when people started to turn to different options. Again, the role of women was critical. Regrettably it takes big things like this. The mainstream political parties reached out to what are now mainstream parties, but back then were hailed as terrorist groups, and brought them to the centre. These parties now hold power in Northern Ireland and there is big political dialogue that has to happen here as well. It is difficult but its dialogue, listening and going to the other side. The rule of law was really important in Northern Ireland and even at the height of the problems law held still and what worries me around the world is the undermining of the rule law. It is difficult but it can be done.

**Participant Question: You have responsibility to advance the call of media and literacy. My question is during the development of this programme of media education, is there anything related to peace processes, such as how children will differentiate if the news contains anything negative about the peace process?**

**Dearbhail McDonald:** A number of us came together to change the curriculum in Irish schools because children are literate in devices, but we felt they did not have the skills or the capacity to consume and understand what they were consuming. We did not know how they differentiated the truth from fake news or bullying advertising literacy. This ties into civic education as well and at the time I wasn't thinking about the peace process, but I know growing up during the conflict, someone going to a Protestant school would have a different emphasis on Irish history compared to a Catholic school. There was a difference in how things were taught. I think that in this era, children are very adept but they perhaps don't realise they are giving away their privacy and details about their home.

**Participant Question: What was the attitude of the media during peace?**

**Dearbhail McDonald:** Media was critical especially during the vote on the Good Friday Agreement and

there was a huge public campaign around this. The media was quite segregated in Northern Ireland: one newspaper identified with the Catholics and one with the Protestants. During the *Troubles* Northern Ireland had media coverage from all over the world. Today, the peace dividend has pulled their process. They look at Ireland as part of the dynamic of the process. When the political wings had to be brought in, the process had to involve them. It is distasteful, but they had to adapt to the media. When I was growing up the media was segregated but they were critical in only reporting the facts.

**Participant Question: There are many similarities between both sides, but how do you tell the story of what is happening without being influenced by your identity?**

**Dearbhail McDonald:** I will speak as a journalist and someone from Northern Ireland to you; as a journalist you have to be an honest broker; we are nothing if we are not honest. There is a duty as journalists to secure the narratives and compare them wherever we are. As somebody from Northern Ireland and just knowing my own side, Catholics, the ability to listen to the other side and step in their shoes is vital. I am a musician and I played violin growing up and played in an orchestra when I was 13. The only way you could continue with free music lessons was if you went to the orchestra. There were kids from both backgrounds and I was lucky that my parents exposed me to this at a young age. We have to listen none of my family were affected but the experience of the Protestants was different. There has been a lot of progress but most of this comes from listening to the other side and it will be hard to go further without listening.



Participants during the roundtable with Dearbhail McDonald

**Participant Question: How influential were women in terms of women's representation in the workforce? Why are they side-lined and what are the barriers to women and equal representation in the workforce?**

**Dearbhail McDonald:** Women in Northern Ireland and the parliament: the highpoint of women's participation in the assembly was around the time of the Women's Coalition when they won the Nobel Prize. It is interesting if you look at the parliament in Northern Ireland now because it is not just women's participation that has dropped, but nationalist moderate and unionist parties have collapsed. One of the consequences of bringing in parties that were formerly at the edges was that they wiped out the middle ground; if you look at Northern Ireland now, the SDLP have no seats in Westminster. However, women are still present and powerful in Northern Ireland. The head of the assembly until January was Arlene Foster, even looking at the other main party there is a woman leader in place. Here in the Republic of Ireland it is significant but we have not reached 1/3 in our parliament in Dublin, which is a problem. The barriers may be the same worldwide: working hours, childcare, culture, attitude, and sometimes we hold ourselves back. I just came back from a seminar about getting more women in Tech. About 10 per cent were men and the consensus was that until men realise the societal case for more inclusion it is going to be quite difficult. Some of the women that we do have in government both north and south are very feisty.

**Participant Question: In terms of provisions for getting women involved, do you think the process is functioning?**

**Dearbhail McDonald:** You can have all the provisions in the world, but if you do not resource them and support them they may not have practical effect. There have been huge advances in terms of equality in Northern Ireland; we have a human rights commission. I don't think women are being held back, but I suppose where the big decisions count we are not there. We have a constitutional provision but if you do not properly resource they fall between the gaps. When you look back at those statistics in socialising the key things haven't been addressed yet. If we do not properly resource this, it will not happen and this can be seen as a bigger issue. Thank you so much and I hope it was useful.

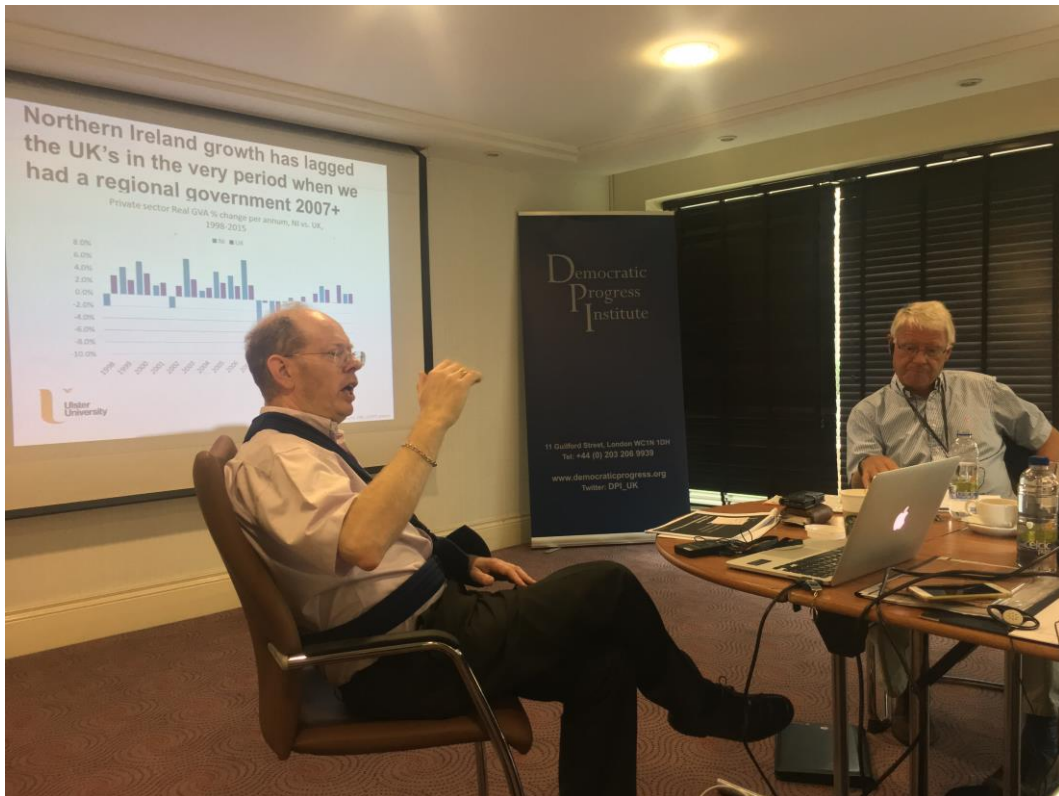
**Frank Smyth:** Thank you to Dearbhail, she lived up to my expectation that she would bring imagery and clarity to the discussion. As I said she always injects a strong evidence base into her material. Thank you, Dearbhail

*End of session.*

Wednesday, 12<sup>th</sup> July 2017 - Belfast

## Session 7: The Impact of Peace on the Northern Ireland Economy and the Role of Business and the Private Sector in the Peace Process

Dr Esmond Birnie and Nigel Smyth



Speakers: Dr Esmond Birnie and Nigel Smyth

### **Dr Esmond Birnie, Senior Economist, Centre for Economic Policy, Ulster University:**

Thank you very much. I am glad you have been able to come here and the weather is so lovely. The subject I would like to deal with is to ask the question, which I think should be of relevance to your own experience: does political uncertainty make economic progress impossible? That is a summary of the four points I am going to deal with this morning: the conventional wisdom; secondly, I am going to look at the evidence; thirdly, I will deal with some other examples that I think are of relevance to Northern Ireland and possibly of relevance to your own situation. Finally, asking the question: what does this imply for you? So, according to conventional wisdom this argument is quite simple. It is that political uncertainty, like other forms of uncertainty, are bad for business. This is because it reduces the willingness of businesses and people in the economy to invest, because investment is about putting money away today with the view of something happening in the future. But to the extent you may be reluctant to invest, if there is less investment in the economy it will certainly grow slowly. It should be noted that this is a commonly held view and there is little evidence as to how strong this effect will be. Will it dramatically reduce investment, perhaps by 1 per cent,



10 per cent, or 20 per cent? The fact is we do not know.

What can we say about the impact of politics and political uncertainty on the economy? We do have some survey evidence. There is an international body called the World Economic Forum which is based in Switzerland, as many of these international bodies are. Every year the WEF publishes a report on global economic competitiveness. What the WEF did in each country - they considered 144 countries - and asked chief executive officers and heads of organisations both in the public and private sectors: 'do you trust political actors in your government and do you regard your political system as transparent?' If your country emerged as the best in the world, you scored 1. If your country emerged as worst of those countries considered, you scored 144. Northern Ireland was added into this study for one year, so that is why I look at the year 2012-13, because you might be saying why aren't we looking at 2016-17, it's more interesting. However, the only data point I have for Northern Ireland is 4-5 years ago, hence the date. Northern Ireland does not do very well in terms of trusting politicians within the UK. ROI stands for the Republic of Ireland, - you have just come from Dublin - and transparency and decision making we did not do very well at all there, ranking number 86 out of 144 observations. We did not do very well. Why have I included USA, Italy, and Austria? You will see later on in the presentation because I think there are interesting aspects about their political development and interaction within the economy over the last 50, 60, 70 years. I thought you yourselves would be interested in Turkey, so I have included the Turkish figures as well. There is some data and economists love figures but unfortunately in this area there aren't very many hard figures. As you have been told, 19 years ago there was a major political agreement made to end the violence in Northern Ireland.

One of the aims of this agreement was to create a regional level of government in Belfast. Certain powers transferred from the central government in London to Belfast. Since this agreement, for about 19 years we have only had operational power in this region for about 60 per cent of the time, or about three fifths, and at this current time, since January, the regional government has been unable to operate. Don't worry about the detail. The broad point is this, for a considerable fraction of time our government has not been operational. This is not a good thing politically and it is certainly not a good thing economically. More evidence, we can compare economic growth with the UK average. Most of the periods since 2007 have seen a bad stint of economic growth for Northern Ireland in comparison to the rest of the United Kingdom. This is interesting because for most of the period there has been a regional government in place. This is in fact a surprising finding because we have had government workings in this year, yet the economy grew relatively slowly. I am not arguing that the existence of the regional government caused this to grow slowly, but it certainly cast doubt on the extent to which the regional government was helping the economy to grow. There is a lack of evidence for this. To the extent you have regional (devolved) government operating; other governments such as the US government operate in a federal context. If you have decentralised government you can do things differently. So, you can ask the question: to what extent did

this regional government act differently from the UK? It is important that the list is not very long - and these are the things that the Northern Irish government did from 1999 and what is different from what London was doing? Some of these policies were mistakes. So this may cast doubt on some of the benefits that have derived from a regional government being in place.



Participants listen during Dr Esmond Birnie's presentation

Let's move on with other examples. This slide looks at the fact that across the UK there is a growing trend to shift political powers from the central government in London to big cities in England as well as nations like Scotland or Wales. The point I would make is what may be significant now for Northern Ireland is that in some parts of the UK the regions are making big decisions about energy, roads, and airports, that we are not doing and there may be a long term international result that comes from that. An international example I could give is the United States. It can be argued that the American economy has suffered from economic failure in its system for decades. Deadlock in the Congress has affected the passing of legislation in terms of healthcare, education and the budget. In 2016, the Harvard Business Review argued that the biggest obstacle to improving the competitiveness of the American economy is the political instability and lack of functioning of the political institutions. Another example is Italy since WWII; since 1945 there have been over 60 Prime Ministers almost one for every year. The economic impact of this has been ambiguous and in the 1950s and 1960s the Italian economy prospered despite the constant change of politicians. During the 1990s it has been a restraint holding down the economy, and I can talk more about this. Another international example, Austria, between the end of WWII and the end of 20<sup>th</sup> century, for almost all of this period it was governed by a two party coalition which were known as the socialist party (SPO) and the Austrian Conservative Party (OVP). These parties are significant because from 1934 to 1938 the right wing

and the left wing were almost in a situation of civil war; there was violence, soldiers were firing on workers on the streets in Vienna. Since 1945 the economy has done well and political stability has been at least a permissive factor. I do not want to say that everything about this approach was good because there were some interesting features of this; for example, public sector employment was divided proportionally between members of the socialist party and members of the conservative party. So, it wasn't really based on the merit principle which means the best person did not always get the job. Eventually, the system broke down in the year 2000 and new political parties came into the frame as it was possible there was an element of corruption involved. However, it gave stability and probably helped the economy for at least 50 years.

What does this all mean? What I have said this morning could be criticised for being perhaps too negative and it does not suggest what we should do. I do have a response to this and sometimes it is better to know what the underlying reality or the truth of the situation is rather than pretend things are better than they actually are.

I do have a few summary conclusions: we need to be realistic and know what the economy can achieve. This should be related to how good the quality of the political decision-making is. Another conclusion is that the Italian business prospered in spite of the failings on the political side of the country. But, in the long run, the political difficulties made economic progress difficult. I wanted to address the current situation in Northern Ireland; we have had a lot of political elections in the last couple of years in addition to the big one leaving the European Union. What has emerged is two parties that dominate, the DUP and Sinn Fein.

This situation is interesting because there are economic markets who dominate, for example commercial aircrafts such as Boeing and Airbus, Coca Cola, Pepsi, J&J. There are two large implications. Economists have developed game theory especially associated with this gentleman Professor John Nash who won the Nobel Prize in economics about ten years ago. John Nash asked: 'what are the conditions under which a duopoly will be stable?' He is a very notable American economist at Princeton and game theory is his big area. For light relief a Hollywood film was made about his life as he suffered from Schizophrenia. The film does not entirely reflect his life, but you get a bit about game theory in the film. Anyway, John Nash said under certain conditions a duopoly will be stable, Boeing and Airbus can go on and they won't be fighting with each other like cutting prices. The conditions are demanding which make things difficult and it makes one think that duopolies are not likely to be stable in politics or business. These two parties are dominant; there are other smaller unionist and nationalist parties, but Sinn Fein and the DUP dominate. For my own position, I am an economist and I was an elected politician for ten years and a member of one of the parties that was replaced by these two. Austria is a duopoly which worked for about 55 years which is interesting to see how this worked for almost half a century, but in 2000 this broke up and new political parties came into play. You may have heard of the controversial Jörg Haider the nationalist party leader of the far right-wing party who started to break apart this duopoly in 2000. Austria shows a duopoly can work, but it will not last forever. In Northern Ireland the two duopoly parties have to realise the position they are in and see

if they are willing to make it work. Some might dispute this but the evidence to date suggests this at the heart and at the start of this dilemma and why we haven't had the regional government since the beginning of this year.

So I ask the question: are there any transferable lessons? I have been talking about Northern Irish politics and I do not understand the politics of Turkey or most of the Middle East. We need to be careful because every country and its political circumstances are unique. The famous Russian novelist Tolstoy wrote Anna Karenina 150 years ago and starts this book by saying: 'all happy families are alike and all unhappy families are different.' There are things we can learn from other countries. Italy shows substantial political instability should not stop economic progress in the 50s and 60s. However, in the long run it may impose a ceiling to how much your economy can do. Northern Ireland has moved away from a relatively violent political instability in between the 1960s and the 1998 period. We should not underestimate this achievement because many people are alive today who may not be if this violence was still going on. Those who contributed to this situation deserve praise, but the downside is that this is costly and an unworkable political structure with a bad economic base to make it viable. Do not regard Northern Ireland as a model on how to manage a deeply divided society. Do not think Northern Ireland is a shining example of getting rid of division in order to lead to a prosperous society and economy. It may be, however this may be more controversial, the lessons you should learn is how not to do things. Finally, thank you. The questions I have been addressing this morning have been considered for about 250 years. Adam Smith regarded as the first economist said: 'little else is requisite to carry a state to the highest degree of opulence from the lowest barbarism, but peace, easy taxes, and a tolerable administration of justice; all the rest being brought about by the natural course of things'.

**Participant Question: Thank you. Yesterday we were trying to better understand the peace process and this is impressive that we have so much information from the inside. Coming back to your presentation about how it affects the political situation of the economy; what is the growth comparison between Northern Ireland and the Republic of Ireland or Northern Ireland and the UK? So what has the growth been like for the last 20 years?**

**Dr Esmond Birnie:** I can't give you a figure, but it is about two per cent per annum for economic growth rate for about the last 20 years, it has gone up and down, but that is about the average. That graph I showed you makes it a little volatile. However this was taken during the recession of 2007-2009. This compares to the UK because it is slightly above two per cent and the Republic of Ireland is much higher which is notable for rapid economic growth over the last 20 years. Some of this is called a catch-up phenomenon because it starts low then has a big gain in inward investment. Also, they have a low rate of corporation tax; here it is 20-21 per cent, in ROI it is 12.5 per cent. It depends on political events and policy relates to whether there is a government in place. This will decline to 17 per cent in 2020 but it will still be higher. Our economic growth rate is slower than both. That may be the broader way to answer.



Dr Esmond Birnie discusses the economic implications of political instability

**Participant Question: How do you cover this gap?**

**Dr Esmond Birnie:** It has something to do with the politics and I would qualify that by saying Northern Ireland has generally had a lower growth rate than the UK as far back as we can measure. But it is not generally associated with the political problems in the 60s. One thing I would point to is competitiveness - how well your business is doing at reducing the cost of products and services. I would argue that there is a long-term competitiveness problem driven by productivity and output per worker. These persistently have been lower than most of Western Europe and United States and more recently the Republic of Ireland.

**Participant Question: What was the impact of Northern Ireland being part of the UK in terms of the economy?**

**Dr Esmond Birnie:** The two economies, Northern Ireland and the Republic of Ireland are integrated on exports. That means when the Republic of Ireland goes down we go down as well. So when they had the bad downturn, more than 10 per cent, we were pulled down as well. The relationship was the movement of capital and money. About 11-12 years ago, in 2005, there was a major growth rate of nearly ten per cent per annum in society and house prices went up. This caused Northern Ireland prices to go up and the bubble burst to some extent. The fact that Northern Ireland was a part of the UK was helpful because the Republic of Ireland government had to take money from the European Union with quite bad conditions. The two Irish economies are related because when they are doing well we will be doing well but in contrast, when they are doing badly we will be doing badly.



Participants ask questions to Dr Birnie and Nigel Smyth

**Participant Question: Any recommendations for Turkey?**

**Dr Esmond Birnie:** It may interest you to know my approach is comparative. In politics, they are interested that Turkey is in the customs union of the EU but not an actual member of the EU. Given Brexit and what may happen with the UK the people are saying that there is a Turkish model. Also, looking at Norway, they are in the single market but they are not in the customs union. Canada is obviously not in the EU but they have negotiated free trade with the EU. So unfortunately, I am not able to say what economic policy is like or should be in Turkey.

**Participant Question: Thank you for this account. You seem to have a critical approach to Northern Ireland so my question is what are your personal examples of what can happen in Northern Ireland? What should we do?**

**Dr Esmond Birnie:** It is easy to show how things develop and the limitations but I'd answer this question in two ways. Given this situation of two dominant political parties a lot of responsibility hangs with them and they need to work together to make the system work. They need to realise the use of game theory and the Nash equilibrium which is about cooperation and recognising the interests of the other party. If they do not recognise this - and the evidence supports that they don't - they cannot go in government. The UK government will have to set responsibility on many policy issues. The economists would call this second best because it is not highly desirable but this is what you have to do.

**Participant Question: You said that we should not look at Northern Ireland as a model but can you describe any positive takeaways?**

**Dr Esmond Birnie:** I could raise some political aspects but some of those would be controversial. I don't want to be totally negative and there is a sense which Northern Ireland today in 2017 is in a better position than it was earlier in its history. 40 years ago there was major political violence that killed 3,500 people; that is stopped so it is an achievement. The problem we have is translating this peace and making it a workable political system to change circumstances and provide sufficient priority to the economy. The point can be made that in a sense over the last 20, 30 years, trying to maintain political peace has always been the top priority so this sometimes does undermine the economic push that has been going on for some time as well. It is understandable because we want people not to be killed and this is important, but there is an economic cost to this and it means they are treated less seriously. This can't keep happening. The form of government needs liability and needs to be a part of society that generates enough resources in terms of economic growth for public spending. Northern Ireland has struggled in that regard.

**Participant Question: Demographically, what is the situation in the North and South of Ireland? Do they have the same age average?**

**Dr Esmond Birnie:** No exact answer, it is a very young growing population compared to that of other European countries.

**Participant Question: Why should young people invest their future in a place that is politically under pressure?**

**Dr Esmond Birnie:** You are right - we see evidence; in English we use the phrase, 'people vote with their feet' but if you don't like the way you are being governed, your ultimate choice is to walk away and leave. We do have a large emigration of young people because of this. Universities see people leaving and people sometimes leave Northern Ireland to seek work in Dublin. They leave to London, England, Scotland, because they have a better labour market. This is a dysfunctional society and the optimism is lacking. In an economic sense a lot of this is probably not good because these young people are the future.

Are there any other questions? I hope I haven't depressed you too much and I wish you well and I hope you find the visit useful. Thank you very much.



Nigel Smyth discusses the actions of the business community in Northern Ireland during the peace process

**Nigel Smyth, Former Northern Ireland Director, Confederation of British Industry:**

I will be focusing on the role of business in the peace process since the mid 1990s through to the current day and I will say a little bit about the Confederation of British Industry, the organisation I worked for and the context we operated in in the early 90s and the activities that have come out of that. I studied at a University in England. The CBI is the Confederation of British Industry, it is the largest industry body in the UK, it is a representative business body that represents about 35 per cent of the private sector across the UK but it is split into regions: England, Wales and Northern Ireland. If you take the top 100 companies in the UK, 60 to 70 per cent are members. These same numbers apply to Northern Ireland but the majority of these companies are small family owned businesses. Our role in the CBI was to influence government, looking at the cost of education and skills, innovation policies and influences on business. The CBI is a membership organisation meaning the businesses pay us to represent them, but we hold seminars, we create networks and provide information to these businesses. Here in Northern Ireland we run a council of senior executives that has many diverse sectors with a mix of small and large business that sign off on our policies in terms of what priorities we need to take care of. I returned here in 1990 and I became the director in 1991 of a small team, five or six people at the time. But we now have a strong membership base which we grew over several years and there were three main things that stood out to me. We did a lot of work in general economic development. 100 years ago Northern Ireland was the world's biggest ship maker, linen maker and the world's biggest road maker. We were a global hub at this stage 100 years ago. But over those 100 years we became dominated by the public sector so we had a small private sector. During all that time I had in the CBI we were trying to grow the private sector because it was imbalanced with the public sector. This created instability caused by *the Troubles* where we struggled to bring in investment and we didn't have start-ups or enough enterprise companies. In the early 90s we were active in encouraging business to become more active in economic development. The second key thing was the difference between the north and the south. Before 1990 there was very little trade and business cooperation between these two places, with our counterparts in Dublin which was then called the



Confederation of Irish Industry, and is now called the Irish Business and Employers Confederation (IBEC). Both of us are represented in Europe and we set out a process of bringing companies together to trade more and to look at infrastructure within Northern Ireland. Trade almost doubled between the 1990s and the early 2000s. We brought thousands of companies together on a sectoral basis looking at energy and transport, which was seen as a very positive thing. Everything we did was in the interest of the business community as it was good for business and competitiveness.

Our third theme was involvement in the peace process which started in about 1993 on the back end of this conflict. In the early 90s *the Troubles* were continuing but it was a small number of incidents; bombings, shootings which came from loyalist paramilitaries and the Provisional IRA. Businesses were not targeted, they had been targeted previously and certainly some businesses in construction were targeted and members were killed. When businesses were being targeted massive expenditure could be seen going into security, re-building buildings and even companies trying to bring in customers did not work because Northern Ireland was an unattractive place. FDI, mainly American, was high risk because we had to pay a lot to bring this investment in. The issue of parades and major conflict still gives us a divided society today. On the 12<sup>th</sup> of July they like to have their bonfires. The biggest bonfires in the world are held here, some half the height of this hotel. We have become more divided I would argue over the last twenty years, so I accept what Esmond says that we are far from perfect and there are a lot of lessons, particularly in the move away from violence. Before the early 1990s there was little business involvement in the peace process, much of it was political involvement. There was talk behind the scenes of ceasefire because at this stage both the IRA and the loyalists had tit for tat bombings and shootings. In 1994, we did research about what the impact of peace might mean for Northern Ireland, mostly it was positive. This eventually became the Peace Dividend paper, it is fair to say before that the problem was discrimination both perceived and real discrimination in the workplace. I am jumping back but in 1989 there was anti-discrimination legislation put in place which was probably the strictest piece of anti-discrimination legislation there was. Arguably I would say this was good for business because if you are going to succeed in this workforce and the global economy, you need the best people. At this stage there would have been much more Catholics unemployed than Protestants but this has changed over the last 20 years because we insisted people go out to recruit and provide fair work practices. We work very closely with the trade unions and that is important because we did work closely with the trade union and the Irish movement too.

**Participant Question: Is this law related to discrimination in the workplace?**

**Nigel Smyth:** Yes, that was particularly in the workplace because it was perceived in the 70s that there were many more Catholics unemployed so it meant when you went out to advertise, when you went out to east Belfast, 95 per cent of the community was protestant which means that 95 per cent of your workforce was protestant. The same was true if you went to a Catholic section of Belfast. Affirmative action was an issue and you were usually recruited on merit. Companies employing more than ten people had to monitor

their workforce by describing how many Protestants or Catholics they had in their workforce. Companies employing over 50 or 100 had to have a written policy of what they were going to do. This has been beneficial because at this time of the year, before 1989 within workplaces, flags were made illegal. We created harmonious working environments and this is why we worked with trade unions to encourage them and to make them a legal requirement for the first time. However, having the support of board organisations and trade union organisations helped to do this. I would argue that even today in a segregated divided workplace, the main place people come and meet for the first time can make for a good relationship. In 1994 the peace dividend paper, which discussed clear opportunities and foreign direct investment, began to be talked about. As Esmond said, the Republic of Ireland has had massive investment from the United States and Northern Ireland a small share of that. In 1995 there was an investment conference in Washington D.C. and out of that we have two companies at least here employing 2000 people in Belfast. Citigroup invested and created a number of jobs, along with this Allstate, a major insurance company, that has benefited our economy greatly. So this is very much from an economic perspective as there has been great interest from the United States. During the mid 90s we got involved with private meetings with the political parties, all the political parties. This includes Gerry Adams and a small per cent of our members did not appreciate this but we needed peace, because without it there cannot be prosperity. Our key message was that we needed peace and political stability that supported the government. In the mid 1990s there were issues around parades and marches, especially around the 12<sup>th</sup> of July but even in the intervening months because many things were blocked, including roads. They were probably more disruptive than a bombing or a shooting in a pub, despite the loss of life. From a business perspective, blocking ports, harbours, and airports made it hard for trade and transportation. We worked with other business corporations called the Group of Seven, or the G7 and we used a variety of initiatives to try and put an end to these parades. In 1998 we had the Good Friday Agreement with the 'Yes' campaign set up by the civic society. We did not join because in all of what we did we tried to stay non-political. We were involved in public policy issues, but for the good of business. We were approaching this from an economic perspective and ultimately the wider community perceived us to be beneficial. This day was influential because my father-in-law was in Canada and he was stopped by someone who said they had voted yes, so this is when we knew we were influential. We worked with other businesses and particularly with the trade unions; we were a large community sector that used the three organisations. In 2000, for example, we used a billboard campaign. The key message was that politicians negotiate solutions and our role was to encourage the benefits of having these various organisations. We invited all of the organisations to write to their individual assembly members and encourage them to go forward with peace. The UUP and SDLP were the biggest parties and this gave them the confidence to take a step forward and come up with a deal. In addition to this, letter writing and media statements were put out when there was a back log as well as demonstrations that came after the Omagh bombing in 1998 where the trade unions tended to have big demonstrations within Northern Ireland. We were in support of the trade unions and

we would have written to our members to try and accommodate these people. There were hundreds if not thousands of people in Belfast at times around Northern Ireland. This was to get violence out of the street.



Nigel Smyth answering participant questions

So, a summary of business actions: we highlighted that peace and political stability are the foundations of prosperity. This was our constant and consistent message throughout all these years. We convened discussions with the political parties urging them to use their influence to secure prosperity. This was done privately or in groups and we also delivered some hard-hitting media statements. In some cases we covered the papers that go to the nationalist communities and unionist communities we got them to do joint editorials. Plus letter writing campaigns individually and through our members to get everyone on board.

Finally, what has worked well? We revolved our focus around the business people getting involved in the political party. Also, in the top 100 companies in Northern Ireland there is probably only one that I would say has an active political affiliation. So, businesses for 34 years have not been involved because it is sensitive and you don't want to upset anybody, so this was part of our problem. We believe we provided leadership but it was always politically neutral and it was in the best interest of the wider community. Our work with IBEC was very positive and clearly CBI does not go down so well in the Sinn Fein circles but actually all the work we did on a Northern Ireland basis, they loved. It was important for us to have a wide range of support in both the political spectrum and the business sector, the support from DUP and Sinn Fein gave us the political aspect and trade unions, along with financial lobbying groups, covered our influence in the business world. 'Peace – a challenging new era' created a large influence and it was important that we saw the unity and supportive media. There was good access to media and we used this sparingly as there was security influences; however, I had no time to write these releases. We did act as a bloc and it was important that we had powerful messages that were not political which was sometimes

difficult to achieve. Clearly it isn't perfect and we are 25 years on since these agreements and some can say our politics are more divided than ever because of our divided society; but this is difficult for politicians to get past, which is deepening the holes. Ultimately, the politicians have important things to say but we must move back to the middle ground and get some sort of agreement to move forward.

**Participant Question: How was your relationship as a business organisation with the trade unions? Sometimes there is a conflict of interest between the two. How, as a business community did you find a way to assist the peace process; particularly what type of mechanisms did you use to protect your members and what support did you use during the fiscal times? You mentioned in the beginning there was talk behind the scenes, so how did you manage as a business to understand this? Also, I would be interested to hear when and how did you make an effort to prepare the public for peace? Lastly, when you did this you were inclusive in your work talking to all the parties in the conflict; so what was the reaction that you got from the governments, British and Irish, and were you encouraged to go further?**

**Nigel Smyth:** Starting with your fourth question, speaking about the government, we would have briefed them on what we were doing but they had no direction on us. Both the Irish and the UK governments were very supportive of what we were doing but they had no influence on what we were doing and this was very important because we only did what our members wanted to do. I think they believed it wasn't important what we were doing; they would have encouraged us to do more and on a couple of occasions they would have been keen for us to have a positive statement. However, we decided on our own merits and our organisations whether we were going to put out a press statement or a comment. But we did it because we believed it was in the best interest of Northern Ireland. In terms of the public, this is very important and the press statements came in, but we didn't involve social media then like you would have now, but clearly we would put press statements out at the time which would have been covered in all of our main papers. We did take advertising space but we only did this about once or twice and the billboard campaign - we only did that once. So, we were very selective at the time because it is a costly exercise to do and we only had a small team here. Businesses were not giving up massive amounts of time but they all thought it was important and continued to encourage us in what we were doing. Lots of our own day to day work was around policy issues but these public messages were very important. I was a full-time employee and we had a chairman for non-executive chairs or roles for two years. Quite often they conjured up press releases and press statements that they didn't use on our local television. It was this constant message and about encouraging our politicians and seeking out encouragement from the voters for their politicians.

In terms of protecting our members, our members were targeted in the 70s and 80s, but generally businesses. One of our vice chairmen was shot up in Derry. When I came on to the scene in 1990 businesses were not a key target of this, other than those involved in construction of military barracks and police stations. There was a lot of protection on the back of it and they would have had additional security. All the retail, when you went into a shop in the 80s in Belfast, everyone was searched; this was because

there could be firebombs or other types of incendiaries being carried around in bags. There was not an overall strategy and in the early 90s we thought this might last for a few years, not realising that 20 years on this would still be a problem. Our paper came out in September and a week later the ceasefire happened so that was quite a coincidence albeit we thought something was going to happen. However, a year later the ceasefire broke down.



Roundtable with Nigel Smyth

I think your first question, on the mechanisms, it was as I said, press releases, private meeting, joint meetings and constantly trying to get this message across and it was the work we were doing on an all island basis, trying to normalise things. It was ourselves doing it, it was other businesses doing it, but the trade unions, because you did ask specifically about them, we would disagree on certain things but we had some goals that would intertwine. We both wanted investment and better living standards for young people so it wasn't difficult. We did have three or four campaigns around this whole creating a neutral workplace environment. The culture right here was quite difficult for employers but it was probably easier for a big multinational employer to say: 'right, no more flags and emblems'. But if you were a little garage based up on Shankill road in a really Protestant part of Belfast; it was important that you took down your flag. They did not have a trade union so for a lot of small to medium sized companies the trade union would have been very supportive. They also would have said look, all of the republican flags are going out as well. The multinational corporations said that it was important also for medium sized companies that were republican, to create a good working environment. So, we had a good relationship but there are a number of issues that we would not agree on. Even during the process, they wanted to bring people onto the streets much more than we did. But businesses generally want to get on with the work. Sometimes there were horrendous occasions where I would share a platform with the trade unions.

**Participant Question:** Thank you for these explanations, but certain things have not satisfied me after the Good Friday Agreement. It took some time to put the guns down and the violence kept going. As you can imagine it is hard for investment during this time and in the north you are under the influence of the UK so has there been any foreign investment? There is no big influx from Turkey, for example, but the majority stayed in Northern Ireland even though some of the young population left for educational purposes. Has the business world made any investments?

**Nigel Smyth:** Well, a number of things on the economy, violence did continue but on a small scale; these incidents still happen up until today but they are very isolated and usually against the security forces. So, maybe one or two soldiers or police officers were killed but it is comparably low to what it has been in the early 90s. It peaked in the 1970s where several hundred people would be killed a year; it was falling but there were various atrocities that did happen. Up in Shankhill there was a bomb in a pub but after this the level declined substantially. Tourism picked up rapidly and this sector has been a small part of our economy. However, it has grown by maybe two or three fold over the ten years in the 90s. This has continued to grow and has become a massive investment in this sector. This took a number of years to develop but on the FDI side this is important because we have a very small private economy. This is largely from American investment but we also have Japanese and Korean investment. This started fairly quickly and the government was conscious of that, American support was conscious of this. There was a Washington investment conference in 1995 and from that we have several technology companies here. In the 50s we would have had companies investing such as DuPont, Michelin, which worked successfully throughout *the Troubles* but we had to pay a lot of money in grants for these companies to be here. But since the mid 1990s we have had a higher investment and we have had to pay less money to bring it here. Part of this was on the European rules of what we can do in terms of granting it. These economic impacts are much bigger in tourism industries and much better quality and volume for foreign direct investment. A lot of this would have been Belfast concentrated because of the universities but some of them would be up in Derry and we can now see this public expansion on security has declined and much of it has gone into infrastructure in 2000 and 2005.

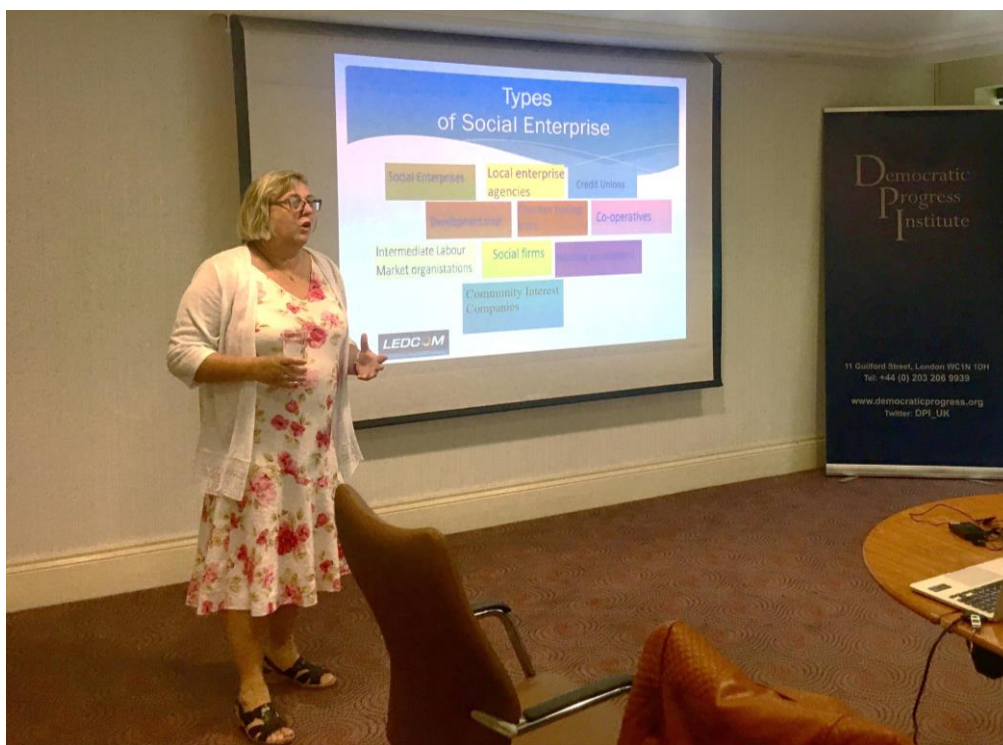
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## Session 8: Growing Community Cohesion via Social Enterprise

Audrey Murray

**Audrey Murray, Business Development Manager, LEDCOM:**

Hello, thank you for having me. I will try to speak slowly; I am from a part of Northern Ireland that tends to speak fast. If anyone has heard of Michelle O’Leary, I speak at that speed. Just to give a backdrop to the social economy sector we are aware of the academic sector in Turkey. You are all private business people?



Audrey Murray explains the business model of Social Enterprises

**Participant:** Mostly, we have some academics in this delegation also but most are in the business world.

**Audrey Murray:** Well I will take you through the social economy in Northern Ireland. Four per cent of employees are employed through our social economy or the third sector, being you have the private sector, public sector, and you then have the third sector, the not-for-profit sector, also known as NGOs. I work in this sector and do not like the term non-for profit because profits are what keep me going. The profits are not in private hands and we do good deeds with these profits so that is what separates us from the private sector. This 3 per cent of Northern Ireland’s gross value is important for the Northern Ireland sector. Social economy is across the world but finding people is hard, the Rochdale Pioneers or the Christian socialists throughout history of social enterprise in any country we find religions groups of all persuasions drive social change and we find this happening in all companies and where we see these religious groups tend to be the key force in driving social enterprise forward. The definition of social economy, Northern Ireland’s definition of the term social economy is an organisation that has social, community, or ethical purpose operating using a commercial business model, which is vitally important. The social enterprise I am involved

with are exactly the same as your private companies, however, our side tends to give away our profits rather than pocketing them for personal gain. My definition of a social economy is about commercial realism and a lot of people try to do good things such as a not-for-profit organisation that tries to help. But if there is no customer to buy a product or service, they are not a social enterprise. This is about assisting others and a return on investment if you put in time, effort or even money - you would not be doing this for a private sector without a return on investment - so we expect a return on the investment. Also, it is about innovation because we are always trying to do something different. This does not affect the prosperity or the peace process in Northern Ireland because the Good Friday Agreement had elements of the peace process that have not prospered. However, this is not because of the lack of government participation; there are major issues that they have not addressed. If you bring all of these factors together it can cause trouble that can lead to a decrease in prosperity. Social enterprise is currently enough to make a difference to peoples' lives through an economic focused activity.

Dealing with community cohesion is difficult and it is sometimes hard to bring communities together so you are not being brought up in a divided society; you are working together as one. Even though we have progressed over the last years of the peace process, there is still areas of society that have not integrated, which is evident in the peace walls that are still standing. If citizens have no jobs, this means they have no money which ultimately leads them to give up hope. You cannot expect them to be nice to their neighbours if they are in a situation with no hope and it is easy to blame the opposition when there is no hope. It is easier to put the blame on someone else rather than accept the real cause of the situation. This creates a vicious circle.

By assisting others in a commercial sense and giving a return on investment we can use social enterprise to address these issues. These are just a couple of social enterprises that you may or may not have heard of but in retrospect, they are all part of the greater social enterprise family. So, are any of these happening in Turkey? Yes, you have, that is great. What I find is that people think this concept is new but in reality it has been practiced for years by many people who care and want to make a difference in their communities. The scope of social enterprise in Northern Ireland on one side has been making greeting cards in Irish and Scottish which is two ends of the screen. We have people who run the largest mental health services in Northern Ireland as well as engineers who manufacture parts of buses and individuals who get rid of and recycle waste from bins in Northern Ireland. Social enterprise is any activity the private sector does, and we insist all the time and enforce the fact that they will keep their doings legal. However, sometimes there are illegal activities that take place.

Characteristics of social enterprise are the motivation by social goals and or mental goals to make profit to redistribute for the common good. It is important to note that profit is crucial to benefiting the community. Some social enterprises are set up because there have been a number of people with learning disabilities and Down's Syndrome in Northern Ireland who have been given employment through these social



enterprises. The private sector may be accountable to the board of directors but it turns out that the owner is accountable to nobody. In social enterprise there is always someone to be accountable to. There are people who give up a lot of voluntary time to sit on boards to make this work. Also, social enterprise values the delivery of money just as much as the private sector because of the constant competition between social enterprise and the private sector. Normal social enterprise has a balancing act of making a social impact and making a profit; this is the bottom line. Obviously, in the private sector you are only worried about making a financial impact. However, things change greatly when looking at interface areas where there are constant walls or conflict between two sides of the community. Lack of financial investment, community cohesion and the prevalent conflict enables people's cultures to develop and different communities to identify as opposites. If you have to get up at half-past seven, you cannot riot until 5am in the morning. We have had lots of riots, but thankfully over the last couple of years we have seen these numbers go down. However, east Belfast in the last four years has had an awful amount of riots but people had jobs they had to go to so they did not last long.



Participants during the roundtable with Audrey Murray

**Participant Question:** In Turkey we have riots in some universities and you see most of them from the college of humanities but nobody from the college of medicine.

**Audrey Murray:** Yes, because they work harder; if you want to stop the riots make a class at eight in the morning the next day and say if you do not attend this class you will fail.

A simple fact that works: if you want the community to have value for others, you have to give them the opportunity to value themselves, such as employment – ‘no job no hope’ - so you have to give them work so that they will have hope. If you want something to change you have to do something different. A rising

tide lifts all boats. If you want a political situation to change and if you want attitudes to change you have to look at the different areas. Rising boats, all things begin to get solved but you need your life attitude to change. You know what, if people have money to feed their kids and take their families on holiday then their attitudes to life changes. The Good Friday Agreement came in and the world thought instantaneously that Northern Ireland was at peace and that we loved each other, this was wrong though. Yes, peace had come to Northern Ireland and with this all communities will prosper, new investments will come and jobs will increase. To a large extent this is what happened thanks to INVEST Northern Ireland. A lot of areas have seen prosperity and jobs increasing but some of the most disadvantaged areas, the most demoralised areas have not. We are still dealing with the unemployment rate of about 50-60 per cent in these areas; however, the overall unemployment rate in Northern Ireland is only around four per cent. But this gives us insight to how poorly these pockets have developed; this overall bad development is due to large numbers of families in these areas not believing in the education system and they do not believe in skilling up. That was the idea but the reality was different. Northern Ireland has benefited from the Good Friday Agreement but in certain areas we still lag behind. The interface areas are these certain areas that did not benefit from the Good Friday Agreement and this is not because of the lack of the Northern Irish government putting money into these areas, because they have thrown a lot of money into these areas. However, as you know when running a business, throwing money at a problem is not always the solution because you must first identify the cause of the problem and this money can sometimes be misspent. Interface areas equal barricades, the number of barricades in Belfast have actually increased after the Good Friday Agreement, which in turn has made parts of the city more polarised.

The Mayor of New York came to Northern Ireland and was baffled to see these barriers still standing; he said: 'If you bring down the barriers you will get a floodgate of private investment in Northern Ireland'. The barriers have not come down and because of this there is still no private investment in these areas the community of the south has to look at doing something for themselves via social enterprises. If the private sector is not going to invest the social sector must look to invest itself to make a change. This might be a better way of doing it because these areas can now take ownership of their own problems instead of relying on someone else to do it for them. Creating social enterprise and having areas of neutrality gives opportunity and not having this opportunity was mainly a protestant male disadvantage in these areas because they had the lowest education levels out of anyone in the country. These sections of the community, because of their religious birth right, were always guaranteed jobs. This was the most disfranchised part of the economy because you got a job from which church you went to or who you knew within your community; this has all changed now because of social enterprises. They did not believe in education and they believed that the other side was taking their jobs. In reality, they were but only because these other communities were going to school and learning how to read and write. If you were here last night you would have seen fires. I work in North Belfast and here there is the highest number of interface communities, peace walls and riots; however, I will say that in the last few years the riots have decreased.

Alliance Avenue is a section with only 100 houses but it has seen 20 murders within this area and has been a real issue for conflict. In interface areas of Belfast you can see the barriers, these are where they were built. In between these areas is blanket space that can be turned into neutral areas that will give people jobs and training. We developed with Queens University and basically the government gave money to help put this project together. It works for local communities to use social enterprises as an asset base and to properly develop both sides of this. Also, it is here to redevelop the interface areas, what we do not want to do is create a burden on the state by creating originations that need long term support. This is why there has to always be a commercial focus so that these areas can start to generate their own income. The interface areas have been seen as a long term support for organisations.

Children and young people centres are important because if we can get the children to communicate then we can take away issues for the future. We have training and employment opportunities. As well as setting up a catering school that will train people in hospitality, cookery, and services. From the conflict we still have an awful lot of people who are still suffering from mental health and wellbeing issues in Northern Ireland. This is because people have gone through the conflict. Third is the treatment that we are moving out to sell to the private sector. Tourist and heritage there is a lot of interest that has come here but some have not been fully developed, and the history is quite vibrant and famous for property management which we are willing to do. Our most interesting is the high tech fabrication lab which we use for the high end youth enterprise grants. We actually want the service sectors to make things again.



Audrey Murray discusses how Social Enterprises can help communities heal

**Participant Question: Do you think about high technology?**

**Audrey Murray:** Yes, there is none there but we want to create educational qualifications for these people. Invest NI has led the way for the high tech business communities to make their way in here and thankfully our universities are turning out excellent technology graduates. These people will get jobs. However, we are trying to get jobs for those who do not have a skill base to begin with.

**Participant Question: What is INVEST Northern Ireland?**

INVEST Northern Ireland is the lead government agency for inward investment and to help grow our own businesses for exporting as well. So they are the lead catalyst for business development.

**Participant Question: Digital Fabrication? Can you tell us a little bit more about this?**

**Audrey Murray:** Fablab Belfast came out of European funding and as part of this Fablab network there are two in Northern Ireland, one in Belfast and one in Londonderry. They have high tech equipment with young people working that enable them to do high value products and high level social skills. This in fact moves people away from the services sector. This is getting people who are good with their hands to do jobs, without the need for technological qualifications. The only tax we do not pay is the corporation tax, everything else must be paid because it is what is due.

**Participant Question: Are there any examples of the functioning of the project and what about oversight?**

**Audrey Murray:** We are a social enterprise. My organisation owns a business park which is a 100,000 square foot property that we rent to private businesses that give us our income so we can then do other work with this income. It is overseen by a voluntary board that take out no money but are representative of the local businesses as well as key actors in the public sector. We are their employees but to reiterate, these board members get no personal benefit out of it other than a free dinner once a year.

**Participant Question: Do you create jobs or do you offer job opportunities in big commercial enterprises?**

**Audrey Murray:** No, we support new businesses to start up through the rental income we can support and provide advice and training for these start ups as well as offering advice to these new people who want to start new businesses.

**Participant Question: Do they pay you rent?**

**Audrey Murray:** Oh, they pay us rent but before they become our tenants they have to have proof of a start up. So we help those people set up and then they come in; we sometimes discount the rent to give more opportunity but afterwards, we want their money.

**Participant Question: Are you aware of microloans?**

**Audrey Murray:** Yes, we have a loans system that is totally risk free from their point of view and we use social enterprise because with this we are able to reach the whole area and set up in their own areas. We do this easier with social enterprise. We want these people to come through our catering school and set up their own businesses, in my eyes this would be the greatest outcome. But first these people need to learn enterprise.

**Participant Question: Do you track this? How many people start and how many are sustainable?**

**Audrey Murray:** I can only talk about LEDCOM in this setup and we support about 150 businesses each year. Out of that about 60 per cent of companies will still be trading in 3 years' time. We have tracked the ones who do not come to our support and only about 30 per cent of those will still be trading in 3 years. So we make about a 30 per cent difference

**Participant Question: Are their restrictions within the 3 years?**

**Audrey Murray:** No restrictions and they can work with us for how long they want, they can work for six weeks or six years, it is up to them when they want to terminate support.



DPI Staff and Participants and Audrey Murray of LEDCOM

*End of session.*

## Session 9: Sport, Conflict and Peacebuilding in Northern Ireland

Dr David Mitchell



Dr David Mitchell discusses how sports can contribute to peacebuilding

**Kerim Yildiz:** Good afternoon. This is our second last session of this comparative study visit to the Republic of Ireland and Northern Ireland. I will let Dr Mitchell introduce himself but suffice to say he is an expert on reconciliation and conflict resolution, based at Trinity College in Dublin. In today's session he will be talking about the role sport has played in conflict transformation and peace promotion in Northern Ireland. We thought that it would be useful to explore this aspect of the peace process. Some of my colleagues will recall the famous rugby match in South Africa when the white population thought that Mandela would never engage with the South African rugby team given that it was historically a sport that excluded the black population from playing, but they were quickly proven wrong. This became a symbol of the potential for sport to help to bridge divides, which resonated the world over. Among our group we have a former MP Mehmet Emin Ekmen, a member of the arbitration board of the Turkish Football Federation. I am sure that your discussion of the role of sport in peacebuilding will be of interest.

**Dr David Mitchell, Assistant Professor of Conflict Resolution and Reconciliation, Irish School of Ecumenics, Trinity College Dublin:**

Good afternoon everyone. It is a great privilege to be asked to speak to you all this afternoon. You are visiting Belfast on a very interesting day. As you may know this is kind of a national celebration where there are street parades and bonfires. The bonfires were lit last night to celebrate a particular historic battle. In recent years this celebration has been quite controversial, but fortunately we are here in this nice peaceful

hotel. I work for Trinity College Dublin but I am based in Belfast where we teach a master's course in conflict resolution and reconciliation. My research is on the party politics of the peace process here. After my PhD I was employed on a three-year project involving sport, social inclusion and peace building, funded by the Northern Ireland Government. We did interviews with the public, with sports organisations and we did quite a large public attitude survey. We were trying to find out what people thought about sports in Northern Ireland; whether they thought they were inclusive, exclusive, and whether there were certain barriers to taking part in sports. So that is where my interest comes from as a researcher and an academic. If you read academic literature on Northern Ireland and sport it is safe to say Northern Ireland is a very important case study of the connection between nationalism, sport and group identity and it is often used as a case study for the negative impact of sport, but also there has been a lot of positive development in the last 10-15 years which I will talk about. I will also speak about sport and peacebuilding and how it is linked to group divisions in Northern Ireland; then I will talk about some of the changes that have happened and some of the positive things, then you can ask me questions.

**Participant Question: Who wins more in football, the North or the South of Ireland?**

Oh, the South, the South is much better, it's a bigger country and maybe I will talk about that. There are two football teams, one for the North and one for the South, some people want one team because we would win more matches.

**Participant Question: Which sport are you better in?**

**Dr David Mitchell:** Football.

When I talk to my students about sport I always start with these two people because they give a good example of the two different views of sport. One that's negative and one that's positive, the man on the left is the British writer George Orwell who wrote a famous essay about sport that said it is an unfailing cause of ill will and serious sport has nothing to do with fair play because it is bound up with hatred, jealousy and boastfulness, in other words pleasure in witnessing violence; it is war minus the shooting. He thought that sport encouraged group hatred and hostility. The other view is symbolised by Nelson Mandela, who we were hearing about. This was the occasion when he took on the shirt of the white South African rugby team, in 1995; this was seen as a great gesture of reconciliation. Mandela said that sport has the power to change the world, it has the power to inspire, to unite people in a way that nothing else does. So those are the two views and I guess we would say that sport itself is not good or bad but in a society like Northern Ireland where people are divided, then sport can take on these divisions as well and become problematic. However, this also means that sport can be reshaped and expressed in a way that brings people together. We probably know how sport is linked with politics and in democracy it is the main place where people come together to express national feelings. Teams are symbols of the nation and they are us on the field of play, they are symbols and sporting success is seen as evidence of our own superiority.

Sporting competition can be a replacement for real conflict. Finally, there is a connection between sport, masculinity, and nationalism. Many sports, but not all sports, are associated with an expression of masculinity and so is nationalism so it can be quite a masculine force. So, this is the theory and if we were talking about how sport can contribute to peacebuilding, we could explain it like this and we could put the different aspects of sport on one side, and the different aspects of peacebuilding on the other side.

Firstly, sport is a group activity that people take part in and in terms of peacebuilding. Sport can bring people of different backgrounds together in a shared project. Secondly, sport is played and governed by a rule which is a bit like democracy. In both of these sectors, you agree to compete, in a game, in an election, and you agree to obey the outcome of the competition. You could argue that sport encourages democratic or liberal democratic values. Sport is also an entertainment spectacle that many people watch and therefore it generates a symbolic power as it communicates messages such as peace. Fourthly, it brings in marginalised people into contact with others and some argue this is a contribution to social justice and social inclusion. Fifthly, sport is a commercial enterprise; it is business and after conflict sport can encourage investment and rebuilding of devastated areas. Finally, sport is exercise, which makes us feel better physically and mentally and you could argue that for a really healthy society this is a society where people fulfil their true potential. So, as you can see, there are many different aspects and ways sport can have an impact.



Dr Mitchell discusses the sporting culture in Northern Ireland

To come to our own situation in Northern Ireland and to explain the sporting scene – this is a famous way of explaining the sport in Northern Ireland – there are three types of sports, firstly, there are Irish sports also known as Gaelic Games, which are native to Ireland. Then we have British sports, such as rugby,



cricket, hockey, and then there are international sports that have transcended national boundaries like soccer, cycling, or boxing. I believe someone spoke to you from the Gaelic Athletic Association, Brendan Lynskey. The Gaelic Athletic association is an interesting organisation because it was created in 1884 as an openly nationalist political organisation which is an interesting example of how sports and politics come together in an open and explicit way. In the late 19<sup>th</sup> century there was a cultural nationalist revival when Irish intellectuals started to rediscover their literature, culture and their sport. This was because they were concerned that English nationalism and influence was wiping out local Irish culture. So, this organisation was a key to expressing Irish nationalism. The GAA today is still a massive successful organization throughout Ireland. It is amateur based and it has a cultural value such as volunteering and community involvement. It is more than a sports organisation, it is a community organisation. It has some links with violent republicanism because some GAA clubs have been named after IRA terrorists, or what some people would call terrorists. On one famous occasion, weapons were found on a GAA premises. This connection with Irish nationalism, maybe with violent nationalism, meant that Ulster nationalists don't like the GAA and are suspicious of it and they do not understand it. The GAA have had some rules that are controversial. Firstly, if you were in the British security forces, the police or military forces, you could not be a member of the GAA. Also, if you were a member of the GAA you cannot play other games like soccer, rugby because they were trying to keep a preservation of the Irish games but obviously it was excluding others. Thirdly, if I want to play a soccer match on a GAA field it was not allowed so other games were allowed on GAA fields. This is why Protestants do not like the GAA. However, all of these bans are now gone as part of the peace process and the most important change was allowing the police and army to join. This is in response to the reform of the police that took part because of the process. This was a very direct change in the sporting world which was a response to political change. I just put in a quote here; it's quite long, from the GAA constitution that expresses its aspirations: "Those who play its games, those who organise its activities those who control its destinies, see in the GAA a way to consolidate our Irish identity. It also aspires to unite Ireland". I don't want to take time to read it all but basically, this is where the GAA in its official rule book or constitution expresses its desire for a united Ireland, for Northern Ireland to leave the UK and it shows a clear political goal of the sporting organisation that is interesting.

Rugby came over with British colonial apparatuses - the soldiers and civil servants - and it is organised on an all Ireland basis, so the Irish rugby team is for the whole island, which is different to soccer. This sport is associated with elite protestant grammar schools and it has an upper-class standard. It has avoided political controversy, but still it is mainly played by people on one side of the community. Soccer has separate governing bodies in the north and the south, so when Ireland was partitioned in 1920, they could not keep soccer together because passions were too strong and the Dublin and Belfast associations separated so now we have two teams. It is popular amongst both sides of the community, both Protestants and Catholics. However, the Northern Ireland national team is associated with unionists because they can express their Northern Ireland identity separately. The local league is mainly made up of protestant linked clubs.

To summarise this and how sport is linked with politics in Northern Ireland, in this famous book on sport in Northern Ireland, they say in Northern Ireland, the significant aspects of life are bound up with the politics of division and sport is no exception. Sport is a part of our divided civil society, what some people call the sectarian system, in which religion, locality, sport and school are linked. In other words if I am born in a protestant area I will go to a protestant school, all my friends will be protestant and I will play protestant sports plus my social network perhaps for the rest of my life will be on the at same side of the community. This sport division is important because it shows the link in the division of the schooling system as well as we can see in the de facto dividing. Soccer went through a difficult period at the end of the 1990s and the 2000s when there was a lot of sectarian chanting and a lot of sectarian trouble, such as Catholic players receiving death threats. They tried to make a campaign for soccer to make it more inclusive and welcoming so they ran a public programme named *Football for All*. They became strict about sectarian trouble at matches and they tried to make Northern Irish international matches more family friendly because before they were very macho, and mainly men were attending these matches overall. This organisation became stricter on sectarian issues and has been very successful and has continued to be used as an international model for other divided societies. Secondly, some of the GAA rules were changed to make it more open to the community and to promote Gaelic games. Rugby has changed because it is now professionalised which has made it high profile and more successful. This has brought in more diverse support base along with symbolic political gestures.



Participants during the roundtable with David Mitchell

Finally, there have been some bottom up initiatives such as sport-based building programmes among young people. There is an organisation called Peace Players International which works around the world using basketball to bring young people together. The Game of Three Halves is also a programme where young people on both sides are brought together to get a chance to play soccer, rugby, and Gaelic football. This

exposes young people to all the different types of sports. Therefore, it makes different types of culture more accessible to them by trying to move away from the school sport curriculum that is divided. However, there are still many barriers to sport coming together and virtually everyone in the GAA is Catholic; there are hardly any Protestants who play even though the GAA have tried to become more welcoming it hasn't had much of an impact. Although Protestants probably view the GAA in a more positive way, a big problem is that there is still a big separation between the Protestant areas and the Catholic areas. If I am a Protestant I will not play Gaelic games because I would not want to travel into those Catholic areas because I may not feel safe. An interesting example of this is the Maze prison, where all of the paramilitaries were sent during *the Troubles*. This facility closed down because of the peace process initiative that released all of the political prisoners and there was a proposal for a sports stadium, which would be symbolic because all three sports could use it. The plan failed because of complicated reasons and it is unfortunate that this did not take place. There was some political opposition to the plan. Members of the public are happy with how the sport community is - they don't mind who they play with and they don't care about the diversity. This leads to complacency within this mission to make sport more diverse.

Now, I will show you some pictures:



This one is a very important moment that took place in 2011; Queen Elizabeth visited Dublin and the home of the Gaelic Athletic Association. Given the history of the GAA excluding the British, this was a big event. In fact, in 1921 British soldiers had killed a number of people in this venue. So, for the Queen to be welcomed to this park was a hugely symbolic gesture of reconciliation.



This is the late Martin McGuinness who was the leader of Sinn Féin, who died a few months ago, and Peter Robinson the former Unionist leader. They were attending a Gaelic games match together and this was a big deal because it was uncommon for a Unionist to come to a GAA match. However, they still play the Irish national anthem at GAA matches and the British national anthem at Northern Irish soccer matches. This is still very controversial.



In 2011, a police officer was murdered by what are called dissident Republicans, who are Republicans who are against the peace process. Interestingly, this officer was a member of the GAA and at his funeral the club members formed a guard of honour for him. This is significant because it shows the unity between the police and the GAA, as well as the acceptance of change that each party shows. Remember that up until 2001 you could not be a member of the police force and in the GAA.



This last picture is from last summer and amazingly the Republic of Ireland and Northern Ireland both qualified for the European Soccer Championships. During these championships a Northern Ireland fan died in an accident. This is a shrine and tribute for the fan. On social media this picture went everywhere because the two flags are side by side. The Republic of Ireland fans did a number of things to pay tribute to the Northern Ireland fan which gave a sign of unity between the two sets of fans when there could have been trouble between the two; however, there was only peace.

**Kerim Yildiz:** Thank you very much, it was interesting to hear that and it is clear to see the power of sport and its contribution to the process. I would like to open up the floor to questions.

**Participant Question:** You mentioned that there were both negative and positive effects, can you give examples?

**Dr David Mitchell:** Thankfully there have been little negative effects and in the 1990s there was trouble at matches, particularly Northern Ireland matches, which gave soccer a way for people to behave badly. There may be a problem in the Gaelic Athletic Association because there is still only one side that plays in one league and this keeps people in their separate worlds. However, this is a long process and mostly good news at the moment. The relationship between the three sports at the top level is still positive and they have worked together on a number of different campaigns and projects. This took place because of the development agency for soccer and the GAA went on a trip to America and they became good friends. When they came back to Northern Ireland they came up with many ideas about how the GAA and Northern Ireland soccer could work together. Both of them were passionate about peacebuilding and reconciliation.

It is amazing how much change came from one relationship between two people.

**Participant Question: I would like to know about the gender dynamic of this issue and I was wondering if this dynamic was inclusive when dealing with this process?**

**David Mitchell:** In our research we asked people if they have taken part in a sports peacebuilding project, and lots of them had but it was mostly males and we asked many others. We did find that females are much less interested in sport because of bad experiences in school for example. Also females are less interested in sport because they watch sport less and participate less in this sport-based peace process. There is an inclusion problem in terms of gender.

Soccer in Ireland and Europe is very much a man's world, and in America it is different. Soccer is our macho sport and a lot of people would say that nationalism is similarly masculine because it is about men going out and defending women. So, sports and nationalism come together in this type of way. I suppose that this is the limit to peacebuilding and even if it will not include everyone this is still big symbolic power. However, in this aspect sport cannot change these processes on its own. It is important but it cannot be the only part of the process.

*End of session.*

Thursday, 13<sup>th</sup> July 2017 - Dundalk

Session 10: Peace and the Transformation of the Economy in Ireland

Dermot Ahern



Dermot Ahern, former Minister of Foreign Affairs and Defence, Kerim Yildiz and Laki Vingas

**Kerim Yildiz:** Some of you know Dermot Ahern from before. We are grateful to Dermot because he was one of the first advisors to DPI and he is someone who lends his name to us. He is actively helping us in this project and he does whatever he can to contribute to our work. He has travelled to Turkey a number of times and was there recently. I will let him introduce himself fully but he is a former minister of foreign affairs and trade. During the course of his time in the ministry he developed a conflict resolution unit and has generated money within his department. What we are going to do today, rather than ask Dermot to give a lengthy presentation is to engage more in a Q and A type session. . We have been listening to the business community and many other actors in the peace process over the past few days and you may have further questions in terms of business, the economy, and the process itself. So let's get started.

**Dermot Ahern, Former Irish Minister of Foreign Affairs and Defence:** Welcome to my home town and excuse my voice. I am somewhat hoarse because I was at a football match last night in my home town and my team was playing a team called Rosenborg, who are from Norway, who have been a successful team in the Champions' League for many years and they would have played a lot of teams from Turkey. It was a good game as we went one nil up and were seemingly playing them off the field, but unfortunately, they got an away goal, a very bad goal to give away so next week I will be in their home stadium for the second

leg of this fixture. So, excuse my voice; normally I go too long when I speak. So, as Kerim says, we will have questions. I know that most of you are business people and just to say a lot of what you have heard about our peace process has been all about constitutional and political issues. But one of the huge advantages of the peace process that we have had in this region is our economic situation has been transformed because of peace. I was born and have lived in this area all my life. I was trained as a lawyer, but all of my early life I could see how *the Troubles* severely disadvantaged this area. To put it in a nutshell and to show you the difference, Margaret Thatcher in the 1970s called this town El Paso and all of the British newspapers, the red tops, as we called them, the *Daily Mirror*, the *Sun*, the *Star* and all these papers ran with the headline that Dundalk was El Paso. Dundalk was regarded as a border town just inside the Republic of Ireland and it was also regarded as an IRA town, a town that a lot of the IRA people lived in and moved from the North when the British army moved into the North. This area of Dundalk, the area particularly close to the border, was used by the IRA to launch attacks into the North. So we got a very bad reputation, which branded us the name El Paso by Margaret Thatcher in the 70s. So, we struggled to get people even from the Republic of Ireland to come here. When a police officer was transferred up to Dundalk, it was widely known that their families were scared for their child because he or she was coming up to be a police officer in this dangerous area. A couple of years down the road Bill Clinton came here to Dundalk with Hilary Clinton on his last visit in 2006 I think it was. Bill, Hillary, Bertie Ahern and myself stood on a stage in Dundalk and 60,000 people came out even though the population of this town is only 40,000, 60,000 people turned out to the square this night in November of 2006 and Bill Clinton called this town a 'boom town'. That was an illustration of how the economic situation here changed as a result of peace and it was a practical contextualisation of this process and it showed the outside world that this area was open for business. For instance, part of the European headquarters for PayPal is in this town, the main hub of the European operations of Xerox is in this town. Over the years we have had many other multinationals in this town, Panasonic has been here, they are not here anymore but we have had industrial success because we are half way between Dublin and Belfast, the two main population centres on the island of Ireland, so if this area was in peace, being in the centre would make it a complete boom area, but unfortunately 35 years of violence between 1960 and 1998 has held us back. So now, I leave it open to questions if anyone has any.

**Kerim Yildiz:** Right, so let us think about what we have heard the last few days, in terms of the economic development and the implications of the peace process on businesses.

**Participant Question:** Mr Minister, you have a very vast career on the political side with various positions and you have been honoured to have been elected to these many positions. Latterly, you were minister for justice, equality and law reform. So, reform and law? Can you explain the law and justice system that underpins the constitutional system of the state? Also, talking about equality, yesterday visiting Belfast and its neighbourhoods we saw that some of these have not changed yet and they are stagnant in terms of progress. How will progress be made in terms of equality if there is still inequality after the GFA?



**Dermot Ahern** Well to explain, I was Minister for justice, equality and law reform in the Republic of Ireland. The law reform element was to reform our laws in any area. Two thirds of the legislation passed was in the law reform area. I was the minister of Foreign Affairs for four years and I was all over the world in every continent and then suddenly I was in Justice and it meant that I was never out of our parliament. This was because every day there would be a piece of justice legislation that I passed during that time. We had a significant problem with a phenomenon that we called headshops, these were shops on the high street that sold psychoactive substances like cannabis, heroin, and there were no laws to cope with this new phenomenon and literally two doors from my own office in this town there was a head shop. Here it was trading besides my office, but anyway I passed a law that was innovative and we had the attorney general approve it. Overnight the headshops closed because they knew it was the end of the line and the end of their business. However, we were conscious that if we closed the shop it would travel underground. What was happening was school children were going into these shops and buying these different items, some were innocent enough but other things were quite dangerous. They were being imported from places all across Asia. We also understood the industry would go underground and we brought in some laws so our delivery service could catch these things at our ports and airports. This is just a small aspect of the law reform. As I said, I changed many laws within this area during my time. In relation to equality, the proof down here in the Republic to ensure there is no discrimination between men and women in our legislation, that there is equal opportunity and equal rights and responsibilities in the area of social welfare. Right across our system it was to drive the policy of an equal society as much as possible. This does not really equate with what is going on in Northern Ireland because Northern Ireland is not an equal society.



Dermot Ahern discusses the economic changes experience after the peace process

**Participant Question: Does this inequality create danger and threat to the peace process?**

**Dermot Ahern** Oh yes, without going into too much detail, we have a completely democratic society and when the people go to vote they vote for people, they vote for us and then they throw us out and they bring in another crowd, it is completely democratic. Up North, the whole concept of the GFA is a forced partnership and the agreement is based on the premise that the political parties up there had to be forced to sit around these tables. You ask: why is this? Well when one side, mainly the Unionists, had power in the 40s, 50s, and 60s, they discriminated against the people of the nationalist parties and they couldn't be trusted to run a government. I'm not saying this was the cause of the conflict, but *the Troubles* were an element of this discrimination so if anyone was a nationalist, generally they were discriminated against when it came to housing by the local authority, to jobs. For instance, my name is Ahern and this is a clearly nationalist name. If you go to the North, you will very quickly be able to identify who is a Nationalist and who is a Unionist by their very name. So, this is not an equal society unfortunately and despite the process, I've been quite critical on what has happened during the Good Friday Agreement because to a certain extent Northern Ireland has become more unequal with the peace process. On one extreme, you have Sinn Fein and the other extreme on the other side is the DUP on the Unionist side. They have in effect caused a vulcanisation in Northern Ireland, in other words Sinn Fein and the DUP look after their own areas and there is very little common ground. You were in Northern Ireland at a good time, the 12<sup>th</sup> of July; the Unionists celebrate a battle which took place not too far from here in the South in 1690. In the modern society, it is a sad society, if you go off the motorway you will see Union Jacks or the British flag everywhere and in another area you will see the Irish flag. This is because for centuries there has been a difference up there that you do not see in the South of Ireland because there are no Unionists in the South of Ireland. People think it is a religious war, and yes there is an element of this with the Protestants and Catholics. However, the Protestants and Catholics in the Republic of Ireland live side by side with no discrimination. In our constitution in 1937 the Protestants, because they were a minority religion, were given more rights than the Catholics. Now I don't want to be overly critical of the peace process in Northern Ireland because you do have an absence of murder, bombings and shootings; but unfortunately, it isn't solved, the attention of the world such as Britain and the United States has been taken away from it and the Republic of Ireland has not done enough. The danger in Northern Ireland is that this inequality will continue. The history of the politics is that Sinn Fein were the IRA basically and the DUP were the extreme politicians they would have nothing to do with nationalists and they would refuse to meet us as the democratically elected government in the south. So, for years, you had these two extremes criticising the political parties in the middle such as the SDLP who were mostly nationalists and the Ulster Unionist Party (UUP) who were mostly unionists, the two parties were the two parties who were mostly in the centre. Now, Northern Ireland does not have this centre anymore. The two parties, who are supposedly in government, although it is suspended at the moment, are the two extremes who have in short taken over the government in Northern Ireland. I say government in inverted commas because it is more of a forced partnership. In effect

I often say, the British and Irish government have to hold their hands because they cannot be trusted to govern their own state. I'm not sure if I answered your question because it doesn't really relate to my ministry.



Roundtable with Dermot Ahern

The British government have in effect been the pay master for Northern Ireland for many years and the economy is driven by the public sector, down here in the south it is driven by the private sector. Despite the fact that we had a recession a couple of years ago - it is the reason why my party is no longer in government - our country is extremely entrepreneurial. If you think of any major multinational in the world I can guarantee you that their headquarters is in Ireland. Google, EBay, PayPal, Twitter, Facebook, all of them have their European headquarters in Ireland.

**Participant Question: Is this because of the tax incentive?**

**Dermot Ahern:** It is because of tax, it is because we are successful, and we are English speaking. We also have a huge Irish Diaspora in the United States. All of the presidents, except President Trump, have had Irish roots, even Obama. Obama's mother eight generations down was from Moneygall in Ireland. In fact, there is a plaza on the motorway called the Obama plaza after he became president, but I make the point because we are excellent at finding connections. For instance, Ronald Reagan had Irish, Bill Clinton, and John F. Kennedy was Irish. The Kennedys were from Wexford in the south of Ireland. So, when we go to lobby in the United States we have many people of Irish decent.

**Participant Question:** Mr Ahern, you mentioned in the north the function of democracy is good but there might be a silence that is taking place. In Turkish we say you need a water source to run a mill. When I go to Northern Ireland I feel as though people are carrying water to the mill from other parts of the world but in Northern Ireland the economy is functioning from external entities. Is this correct? What would you say? Also, yes, the UK is financing Northern Ireland but what aid is assisting the unification or the embracing of the economy? Is this an impediment to the actual peace process and how would you assess the UK aid, would you classify it as beneficial or detrimental to the societies up there?

**Dermot Ahern:** You are correct in what you say; the economic situation in Northern Ireland is that at least 60 per cent of the people employed are in the public sector, which is funded by the public purse, which is basically London. So, Northern Ireland gets more in proportion per head of population than any other area of the UK and yet, Theresa May has done a deal recently providing Northern Ireland with extra money in exchange for the votes of the 10 DUP members in order to keep her government in place. This has gone down very badly with the rest of the UK. The British government would have pumped money into this and in fact when I was growing up, the south was somewhat disadvantaged and we were not in the EU and relatively poor. During this time, the North of Ireland was regarded as the 'Promised Land'. People from my area travelled to the North to buy things that you could not buy in the south. Obviously, it is different now and the EU has been a great help to us and has brought us to per head of population one of the richest countries in the EU. But Northern Ireland, because it was being fed by the UK, did not have the opportunity to develop its private sector. During *the Troubles* the Minister for Travel said there is a relatively successful town called Killarney where most American tourists who come to Ireland go. He said there are more hotels in this area than in all of Northern Ireland at this time. This has changed a bit because of *Game of Thrones*, which has been successful for Northern Ireland, and the Titanic centre. If you asked me would I go there on holiday, I would say no, even though I regard it as a part of my country, but I feel affronted by all this tribalism that you see. The split such as Union Jacks on one side proclaiming this is Britain and the nationalist area on the other side proclaiming this is Ireland. In my life, personally, I do not need this inequality; this is a divided society, and it will continue this way for a long time. The British government do put in money to try and bring both sides together; the EU has put in significant amounts of money in to bring specifically children together in hope that the new generation can forget the past.

**Participant Question:** This is because they choose different schools?

**Dermot Ahern:** I was always a critic of the fact that they go to different schools, that there isn't integrated education. I am critical of my own religion, which is Catholicism, the fact that they insisted that Catholics go to the Catholic schools and the Protestants go to Protestant schools, but the only way to get rid of this divide is to integrate the future. Unfortunately, this divide has been perpetuated by the governmental system that is there, which is Sinn Fein and the DUP, which are supposedly in government together, but all they will do is divide the areas further.

**Participant Question: How do they manage the divide in the system?**

**Dermot Ahern:** The schools are private in effect but the teachers are paid for by the public.

**Participant Question: How do they manage the religious aspect such as going to church?**

**Dermot Ahern:** They talk.

**Participant Question: New generations are raised from the same identity, which is one of division?**

**Dermot Ahern:** Yes, last night they had parades, they say they are celebrating their culture and what they did for many decades. These parades were not peaceful because the people who did these parades insisted on going through nationalist areas and most of the nationalists did not want them going through their areas. You will see these big drums, they are called lambeg drums, and they are massive. They go down the streets and bang these drums to frighten and intimidate the nationalists. For me they are sad people.



Dermot Ahern answering questions from participants

**Participant Question: If the UK discontinues the financial aid would the process go more quickly, what would you say?**

**Dermot Ahern:** No, they won't because they are still say that Northern Ireland is a part of the United Kingdom. This is because during the Good Friday Agreement it is said that Northern Ireland will remain like this until the Northern Irish people vote to become part of the Republic of Ireland. The problem with this is the vote, and the Good Friday Agreement was a good thing, but if you think about it, 50 per cent of the people in Northern Ireland vote. Let's say they vote 51 to 49 now you will have 49 per cent of the people who are dissatisfied and they are now being forced by a vote to join the Republic of Ireland. They might do

what the IRA did and I make the point that the 50 per cent plus one vote takes place and we need to agree to live on this island. The leader of the SDLP party always said it is not about uniting the territory it's about uniting the people who live on the territory. Economics comes in here and I was a minister for many departments, but I always said to the Unionist politicians, we might not agree on the constitutional, political or cultural issues, but we can agree on economics. It makes no sense there is a divided electricity market one on either side of the border not talking to each other. Particularly, speaking on the fact that we are an island and our gas and oil come by pipe or by boat. I also said it makes no sense we have two separate telecommunication networks. United Ireland does not resonate with the Unionists, but if you say all island economy they understand there is an economic incentive for their business people in a successful market. Today we have an all island electricity line; this is what we can agree on because it will benefit both of the markets. Brexit will be a huge problem for this area and up until 15-20 years ago this area was bordered off by the British army that prevented us from going across the border. Five miles from here there were towers that the British armies would fly in and out of by helicopter because they could not go by ground and the areas just north and south of the border could not be policed. This area was called 'bandit country'. It was IRA country and they used to use these towers to look and listen to the south. However, these are all gone now because of the Good Friday Agreement and there is a seamless motorway. These are all the benefits of peace from an economic view but it does not change the mind-set of the people, which is still divided. A lot of it has to do with class, the middle class were well off and they were not really bothered, but the disadvantaged areas with young loyalists and young nationalist men and women were affected. If they had nothing to do because of unemployment they would go into the IRA or loyalist paramilitaries. But it is not as bad as it was, again when I was growing up there was a huge unemployment rate for nationalists and it was probably one of the highest in Europe. That has changed, it could be 50 per cent in some areas and all these young boys were hanging around and some went to the IRA.

**Participant Question: Did they move here to the Republic to live?**

**Dermot Ahern:** When I was young, two weeks on either side of the 12<sup>th</sup> of July, the nationalists would leave Northern Ireland and before the motorway there was a lot of traffic as the nationalists would go on holiday to get away from the parades and the celebration of British culture. We don't notice it now because of the motorway. But, this week already you can notice it easily. You can see the yellow number plate which indicates Northern Ireland registered cars and the white plates are southern, but you can see many more yellow ones coming here. Someone said to me this hotel is full of Northerners.

**Participant Question: It doesn't help - such simple things such as different license plates. That could be easily solved.**

**Dermot Ahern:** Yes, at the moment there is no government in Northern Ireland because of the Irish language. Sinn Fein has correctly argued that it was agreed in the St. Andrews Agreement, in which I was a

big negotiator. It was agreed that the British government would bring in a piece of legislation that would guarantee the rights of Irish-speaking people in the country. But this has been refused by the DUP; the unionists do not want this because they do not want the Irish language on the road signs in areas where they are in the majority. Simple things like that and as you said all of these things could be solved easily, but as you suggest if you tried to change the number plates on cars to have one island license plate the Unionists would say absolutely not and completely refuse because this would be a clear indication that the area is being treated as a united Ireland.

Brexit will be a huge difficulty and when they called for a referendum on Brexit they didn't give the Irish issue any thought. The British government did not realise the difficulty - this does not mean peace will not be there but Brexit will put the whole concept of an all island economy back a decade. When I go to France I can use my mobile free of charge, no roaming. When British people and the Northern Irish go to Spain on their holiday their phone will roam. But they did not think of this when they voted, they were not told this. When mobiles phones started first - my house is 8 miles away - my phone used to change from Northern Ireland service to Republic of Ireland service in different rooms within my house. But if I go to the border I would be welcomed to the UK. If you were doing business on a daily basis working in the area they have two phones. When I was Minister for Telecommunications I started the concept of all island telephone tariffs, which is now in place. The whole concept is the free movement of services, people and goods. Ireland said this must mean that when our people go from one state they should not be charged extortionate rates. Thirteen years later, from the 15<sup>th</sup> of June it will now be free when we travel to Spain, Italy or any other place in the European Union.

**Kerim Yildiz:** I think it is interesting, like Dermot said, to see how the Irish language, such a simple thing, can block many other progressive ideas from happening. It is a process in a way. When you go to Scotland or Wales you see two languages there both living together, even here in the Republic you have English and Irish.

**Participant Question:** We have social media right now in our lives. If you had this do you think the process would be better?

**Dermot Ahern:** Worse, I think. I am not a fan of social media I have to say and even though I would be the best from a technology point of view in my cabinet at the time. Social media was used in Belfast and again I use the word sad. I explained the Irish language was a problem and at the same time this agreement was being made there was an agreement about flags and emblems. In the Republic of Ireland these are symbols but we do not lose sleep over this flag or that flag. Anyway, these were a huge problem in the Good Friday Agreement and we spent hours and hours addressing this issue of flags and emblems. The parliament in Northern Ireland agreed that they would fly the Union Jack on 17 occasions; the nationalist accepted this. Belfast city council became a nationalist majority led and they passed the motion that they would limit the

number of times the Union Jack would be flown to 17 and the Unionists objected. This is where social media comes in; social media and Belfast was thriving, economics were coming back. That weekend a row grew and social media went into half orbit and in hours 10,000 young people who haven't been protesting before, they were out there because of this issue with the Union Jack. Now you have to live with it in politics and I am glad that I am out of politics.



Roundtable with Dermot Ahern

**Participant Question:** We have been talking about the Good Friday Agreement and the problems that still persist 20 years down the line. All things considered would you say the agreement should have been formulated and what would you have done differently? What were the things that were lacking in the initial Good Friday Agreement? How prioritised was the economy? Lastly, are you far away from the terms of this agreement in terms of economics?

**Dermot Ahern:** In terms of the Good Friday Agreement, it concentrated mostly on the political issues and yes, there were references to economic issues, to funding issues for cross community projects to bring young people together. Since 1998, the British government, the Irish government and a number of other countries have put into a fund to pay for children to come south and go north and for children in both communities in Northern Ireland to meet. There were things done but the Good Friday Agreement was about constitutional issues. One of the issues that was left and that was a problem was the issue of policing and for decades the police sector was discriminatory; the police force was 90 per cent Protestant and it was regarded as a sectarian organisation and it was. The St. Andrews agreement in 2006 was the agreement that fixed this. Chris Patten who was the former EU commissioner, he brought forward an examination of the police force in Northern Ireland and he produced what is called the Patten Commission report. In fairness, the police have been reformed and it now has the acknowledgement by all of the community to



such an extent that even Sinn Fein, well the IRA, who used to kill police officers, now suggest to people that if a crime has been committed to go to the police. People like Gerry Adams and Martin McGuinness and others at the start were put under severe pressure after a nationalist woman was raped in Belfast. They were put on the spot by journalists and asked should this woman go to the police service to report the crime. Of course, they had to say yes because they either accepted the police or rejected them. A number of other issues were left behind, I said this before and I will say it now, these agreements are only as good as the paper they are written on, it is the implementation of the agreements. To bring people together that are divided will take a lot of work, dedication and sacrifice; it will take a generation. I cannot think it will happen as quickly as we thought it would because the division is being perpetuated by these shows of culture and the political system is more divided then it ever was. The two extremes who were outside the folds are now the people with their hands on power and I cannot see them, as we say in the English language, "burying the hatchet". In other words, you agree to come together. They will not do this or agree in the foreseeable future. It was so bad that when the Irish government first met with the DUP, Ian Paisley, the demi-god, the man who lead the unionist people up the hill, he denounced anyone who was a nationalist or a Catholic. When we met him he would not shake our hands; this meeting was organised and got world news. He came to Dublin and we were told to sit as the DUP walked in because they will sit at the other side of the table and not shake your hand. Eventually, he shook Bertie Ahern's hand many years later, and I would say that this act was totally infantile but that is the minds of some of these people. I should just say the agreements are well, but just because of this does not mean that people's minds will come together as well.

**Participant Question: How about access to guns up North, was this still a risk?**

**Dermot Ahern:** They always will have access to guns, this was internationally verified and verified by the IRA that guns were independently accessible. They could go on EBay and purchase weapons.

**Participant Question: First of all, thank you very much Mr Ahern you have given us very valuable information. The North side are not happy people, do you feel this?**

**Dermot Ahern:** You are right, the atmosphere is not nice. I feel threatened in Northern Ireland when I go into an area where there are Union Jacks because they are saying they do not want me.

**Kerim Yildiz:** This was worse before, however, it is a process and the mechanism is there now but they need to implement it. That is the key thing that we are learning. Even the choreography is there, but the will of the certain parties is not there yet.

**Dermot Ahern:** I say this to many Turkish delegations, our process has been successful in that we have gone from murder and mayhem in Northern Ireland and a little bit in the south to a situation where there is relative peace. There is an absence of killing, which is fantastic. But the problem is that the attention of the

world has gone off this conflict and the British government has regarded this as a small irritant, the American government is not interested anymore so it does not have the profile, but it has to be left up to the people themselves to decide if they want to grow up.

**Kerim Yildiz:** Thank you again Dermot for your time.

*End of session.*



Group photo in Iveagh House, Irish Department of Foreign Affairs and Trade

## Annex: List of Participants and Speakers

### Participants:

**Aşkın Asan:** Rector of Avrasya University, Member of Board of Trustees for Turkey Maarif ( Education) Foundation, Family and Social Policy Deputy Minister

**Aylin Surkultay:** Lawyer, Süzer Holding

**Fatma Kezban Hatemi:** Lawyer, Member of WPC, Member of DPI's COE

**Gamze Cizreli:** Founding Partner & CEO of BIGCHEFS Café & Brasserie

**Laki Vingas:** President, Vinder A.S Pharma Company & Chairman of the Istanbul Greek Orthodox Community Foundation

**Leyla Alaton:** Board Member of Alarko Group of Companies

**Mehmet Emin Ekmen:** Executive Board Member of Turkish Football Federation, Member of WPC, and Former AK Party MP

**Mustafa Süzer:** Honorary President of Süzer Holding

**Nilüfer Bulut:** Head of TIKAD

**Özlem Zengin:** Chief Advisor to President Erdoğan, Former Head of AK Party Women Branch in Istanbul

**Reyhan Aktar:** Head of DIKAD

**Semanur Yaman:** News Anchor-woman and Deputy News Editor for Kanal 7 TV

**Sevtap Yokuş:** Law Professor at Altınbaş University, Member of DPI's COE

### Speakers:

**Andrew Griffith:** CEO, Europa Grid

**Audrey Murray:** Business Development Manager, LEDCOM

**Bertie Ahern,** Former Taoiseach (Irish Prime Minister)

**Brendan Lynskey:** Managing Partner and Director, Roebuck International; All-star Hurler and All-Ireland Hurling Champion

**Dearbhail McDonald:** Journalist and Lawyer; Legal Editor and Group Business Editor of the Irish Independent

**Dermot Ahern:** Former Irish Minister of Foreign Affairs and Defence

**Dr David Mitchell:** Assistant Professor of Conflict Resolution and Reconciliation, Irish School of Ecumenics, Trinity College Dublin

**Dr Esmond Birnie:** Senior Economist, Centre for Economic Policy, Ulster University

**Dr Kieran Doyle:** Assistant Director, Edward M Kennedy Institute for Conflict Intervention, Maynooth University

**Frank Smyth:** Director, Conflict Resolution Unit, Department of Foreign Affairs and Trade of the Republic of Ireland

**Gren Armstrong:** Relationship Manager, Invest Northern Ireland

**Ian Talbot:** CEO, Chambers Ireland

**Neal Sweeney:** Owner & CEO, Roebuck International

**Nigel Smyth:** Former Director, Confederation of British Industry

**Pat Hynes:** Former Irish Politician and Mediator

**Peter Cassells:** Executive Director, Edward M Kennedy Institute for Conflict Intervention, Maynooth University

**Thomas Hunter McGowan:** CEO, Intertrade Ireland

**Tim O'Connor:** Irish Diplomat and member of the Independent Reporting Commission

**Vincent Maguire:** CEO, Walsh Maguire & O'Shea Building Contractors

#### **DPI Staff:**

**Kerim Yildiz:** Chief Executive Officer

**Esra Elmas:** Head of Turkey Programme

**Katelyn Kunzman:** Programme Officer

**Christian McGee:** Intern