

The Irish largely approve the European budgetary pact.

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Results

Irish voters approved the European budgetary pact by a wide majority on 31st May: 60.29% of them voted "yes" to the ratification of the treaty on stability, coordination and governance (TSCG) signed on 2nd March 2012 in Brussels by the Heads of State and government of 25 EU Member States (all except the UK and the Czech Republic). Less than four voters in ten (39.71%) rejected the European text.

Three quarters of the electorate in the constituency of Dublin South and Dun Laoghaire voted in support of the TSCG (75.84% and 74.21% respectively); more than seven people in ten did the same in the constituency of Dublin South East (72.30%). The "no" vote won the majority in only 5 of the 43 of the country's constituencies. These were Donegal North East (55.63%), Donegal South West (54.95%), Dublin North West (53.24%), Dublin Central South (50.70%) and Dublin South West (50.70%). Farmers and the middle classes voted in support of ratification whilst workers, employees (and the unemployed) and also the youngest voters rejected it.

Turnout was low: only one voter in two went to ballot: (50.60%).

The European budgetary pact targets greater convergence within the Economic and Monetary Union and notably within the euro zone. It sets budgetary balance (or surplus in the public administration budgets) in every country (except for in exceptional circumstances) as a principle and limits the national structural deficit of every Member State at 0.5% of its GDP (1% for States whose public debt is below 60% of the GDP). If these thresholds are not respected, corrective mechanism will automatically be launched. These measures comprising the golden budgetary rule have to be integrated into national legislation within one year after the entry into force of the treaty in the shape of binding, permanent, preferably constitutional, measures.

Ireland was the only Member State to organise a referendum on this text.

The government, led by Enda Kenny (Fine Gael, FG), which also includes the Labour Party (Lab), campaigned in support of the European treaty. It notably indicated that the "yes" vote was vital to bring Ireland "stability and confidence in the euro that the country needed to create jobs." The ratification of the European budgetary pact by Dublin is effectively good news for Europe and a strong sign when the latter is experiencing a serious economic and political crisis and also two weeks before the Greeks go to vote again to renew their parliament (17th June next).

"I welcome the positive result to the referendum in Ire-

land on the budgetary pact. Thanks to this vote the Irish people has committed in support of European integration. This result is an important step towards recovery and stability," said President of the European Council, Herman van Rompuy. "This treaty is key to the European response to the present economic crisis," declared the President of the European Commission, José Manuel Barroso.

The camp against the European text denounced what it qualified as "the austerity treaty" and had hoped to take advantage of the Irish discontent with regard to the austerity measures they have been suffering for the last few years. They also tried to integrate a wider opposition movement using as a support the Greek vote in the elections on 6th May and the election of François Hollande as President of the Republic. "Millions of Europeans who are fighting against austerity will be glad to see an "Irish no", declared Despina Charalampidou, a Greek MP of the Radical Left Coalition (SYRIZA) who travelled to Dublin to support those opposed to the treaty.

"Greece was present in the campaign on the side of the "no" vote with the idea that it had to rally the rejection of austerity. As for the "yes" vote the argument ran that Ireland must not be assimilated to Greece on any account," indicated Michael Gallagher of Trinity College. "This referendum boils down to an operation to frighten people (of bankruptcy) on the one hand and the expression of anger

(against repeated austerity plans) on the other," said David Farrell, professor at the University College Dublin.

Ireland, which avoided default in 2010 thanks to aid totalling 85 billion € paid by the IMF and the EU, is still struggling. Although Dublin is the only one of the three Member States that have been the focus of a rescue plan (with Greece and Portugal) to have recovered growth (0.7% in 2011 and 0.5% expected in 2012), the country still has a high public deficit (10.3% in 2011 31.3% the previous year), since the debt totalled 108.2% of the GDP in 2011 and unemployment rate reached 14% of the working population. Some analysts believe that Ireland will need a second financial support plan in 2012 the year in which it is hoping to return to the financial markets in order to fund its requirements.

Apart from Ireland, six other EU Member States have already ratified the European budgetary pact: Greece, Portugal, Slovenia, Romania, Latvia, Denmark, (the last 3 countries ratified on the same day as Ireland) The new French president of the Republic François Hollande (Socialist Party, PS) hopes that a growth chapter will be added to the European treaty and Chancellor Angela Merkel (Christian Democratic Union, CDU), who needs the support of part of the leftwing opposition to achieve the vital two thirds majority for the ratification of the text, recently postponed the act by one month.

The European budgetary pact will enter into force as soon as it is ratified by at least 12 Member States in the euro zone. It will become law in the EU in 2017.

The results of the referendum on the European TSCG of 31st May 2012 in Ireland

Turnout: 50.60%

Question submitted to referendum	% of « yes » votes won (the number of votes is in brackets)	% of the « no » vote won (the number of votes is in brackets)
Ratification of the treaty on stability, coordination and governance.	60,29 (955 091)	39,71 (629 088)

Source : Irish elections internet site (<http://electionsireland.org/results/referendum/refresult.cfm?ref=2012R>)

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