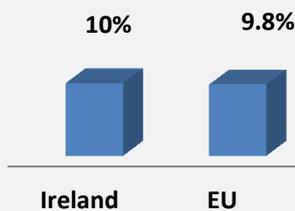


Recent history

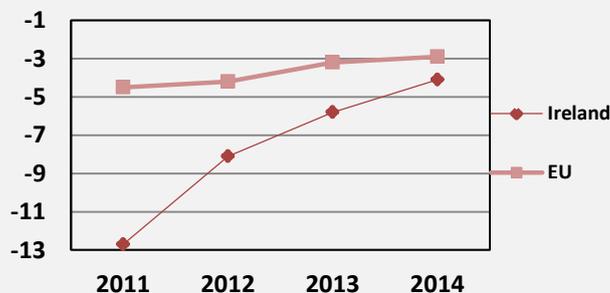
Ireland's history over the last ten years has been dominated by the incredible economic transformation that the country has undergone. At the time of its accession Ireland was performing poorly in economic terms; however, by the 1990s Ireland's economic situation had dramatically improved to achieve almost full employment and a budget surplus. The economic success story was short-lived however, when in 2008, Ireland became the first country in Western Europe to officially fall into a recession in the wake of the global financial crisis. Ireland underwent one of the deepest recessions in the Eurozone, with its economy shrinking by 10 per cent in 2009.

Another important issue has been the progress of the Northern Ireland peace process, in which the Irish government has played an important role. Ireland has also sought a place on the world stage, as was seen during the fruitful 2004 and 2013 terms during which Ireland held the Presidency of the European Council.

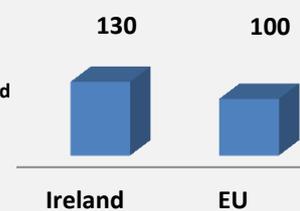
Unemployment rate (2015)



Public budget deficit/surplus



GDP per capita in PPS (2013)



Current government

Ireland is a parliamentary republic. The Head of State is the President, currently Michael Higgins who was elected in October 2011. The President has a mainly ceremonial role. Executive power rests with the cabinet, led by the Prime Minister (*Taoiseach*), and the Parliament (*Oireachtas*). The Parliament is made up of two chambers – the lower house (*Dáil*), which has 166 members, and the Senate (*Seanad*), which has 60 members. The Dáil is the main decision-making chamber and its members are elected by **proportional representation** for terms of five years. The current government, agreed after a general election in February 2011, is a coalition formed of the Fine Gael and Labour Party, and the Prime Minister is Enda Kenny.

Ireland: key facts



❖ Capital	Dublin
❖ Population	5 million (2014)
❖ % of total EU population	1%
❖ Official language	English, Irish and Ulster Scots
❖ Year of EU accession	1973
❖ Currency	Euro since 1999
❖ Schengen Area member	No
❖ Seats in European Parliament	11

Ireland and the EU

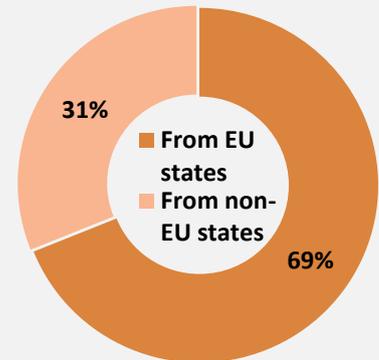
Ireland's decision to join the European Community was closely linked to the UK's decision to join in 1973. As a former part of the UK, Ireland had close cultural and economic links with Britain, so felt it was in its interests to follow the UK's lead. Ireland was struggling economically and had a shrinking population and relied heavily on agriculture at the time of joining the European Community. After joining, Ireland's economy was transformed, in part due to the greater trade possibilities within the single market, and it experienced significant economic growth, placing it amongst the most dynamic economies in Europe. However, the global economic downturn, which began in 2008, caused many problems for countries across the EU, and Ireland in particular suffered badly. In November 2010, the EU and the International Monetary Fund (IMF) agreed to Ireland's bailout request, and also agreed to lend Ireland €85 billion through bilateral loans. After some controversy, the Dáil approved the loan package by 81 votes to 75 in December 2010. The bailout agreement left many Irish citizens angry at their government, forcing Prime Minister Brian Cowen to resign. The ensuing February elections saw his party, Fianna Fáil, suffer their worst defeat in 85 years.

Ireland has had a mixed relationship with the EU. Ireland was a founding member of the Eurozone in 2000, but, like the UK, does not belong to the Schengen area. The Irish electorate voted against the Nice Treaty in a 2001 referendum. The Treaty was later accepted following another vote in 2002. Ireland rejected the Lisbon Treaty at a referendum in June 2008. To be implemented, the Treaty needed to be ratified by all member states, so Ireland's rejection of the Lisbon Treaty caused confusion and controversy. Intensive negotiation of conditions ('protocols') to its acceptance of the Treaty, including a promise to safeguard its neutrality in defence issues and its right to decide on abortion laws. A second referendum was held in October 2009, when the Irish people voted 'Yes' to the Lisbon Treaty. Regardless of the people's caution with regard to the introduction of new treaties, in June 2011 the Eurobarometer reported that Ireland had the third most pro-EU population, with 63 per cent of those questioned considering Irish membership of the EU to be a good thing. The nature of the Irish Constitution means that a referendum is often required to ratify any significant EU treaty changes. Therefore the Irish people have voted positively in referendums relating to Europe in 1973, 1987, 1992, and 1998. The most recent EU-related referendum was in 2012, when the Irish ratified the EU Fiscal Compact Treaty by 60%.

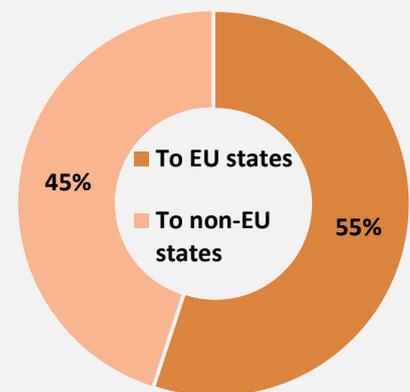
Facts and figures

- ❖ At the height of its economic troubles, Ireland's budget deficit reached a peak of 32% of GDP following a state bailout of its banks
- ❖ With an expectation of 3.5% GDP growth in 2015, Ireland is set to become the fastest growing EU economy
- ❖ In 2004, Ireland was one of 3 countries to open its borders to immigrants from 10 new member states immediately

Irish imports (2014)



Irish exports (2014)



Technical Terms

- ❖ **Proportional Representation:** electoral system where the overall number of votes determines the distribution of seats.
- ❖ **PPS:** GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

Links

- ❖ <http://www.irlgov.ie/>
- ❖ <http://ec.europa.eu/eurostat>
- ❖ <https://www.cia.gov/library/publications/the-world-factbook/fields/2145.html>
- ❖ http://europa.eu/about-eu/countries/index_en.htm