

Action on Poverty in Europe: Fifty Years Ago

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April 2023



Fifty years ago, in April 1973, the EEC Social Affairs Council received a draft 'Guidelines for a Social Action Programme' which laid the foundations for a period of significant progress in the EU's social policy field. This important development was notable for its Irish dimension.

Background

The paper deals with the events of 1973, an extremely busy year which began with the arrival of three new Member States into the European Community along with the establishment of a new Commission in January, and ended with agreement at the Council on a comprehensive Social Action Programme in December. It describes the progress of the programme through the complex institutional structures of the Community and highlights, in particular, the critical role of the European Commission and of the Irish Commissioner. Finally, it sets these developments in the context of Ireland's position as a newcomer to the Community, settling into its institutions and culture.

There is also a personal side to the story. I had joined the Labour Party in the mid-1960s, influenced by my colleague in the Irish Sugar Company, Brendan Halligan, who had departed to take up the position of Party General Secretary. Brendan recruited me to take part in a policy development group which generated a range of documents which became the basis for Labour's 1969 Election Manifesto – the campaign slogan 'The Seventies Will Be Socialist' proved somewhat wide of the mark! I contributed to papers in the social policy area and continued to work on these issues as the party considered the implications of the forthcoming Irish entry to the European Economic Community (EEC).

The Kilkenny Conference on Poverty – organised in November 1971 by the Catholic Bishops Council on Social Welfare – heard a remarkable presentation by the academic researcher Séamus Ó Cinnéide who contributed a paper on 'The Extent of Poverty in Ireland' which concluded that some twenty percent of the Irish population lived in poverty. This revelation led to immediate reaction in academic, social, and political circles. The Labour Party responded by setting up a policy committee, to which Séamus Ó Cinnéide provided technical advice, which produced a detailed paper. This was to lead directly to action at the level of the EEC, which Ireland joined in January 1973.

In the immediate run-up to the enlargement of the EEC – with the UK, Denmark, and Ireland joining the founding six Member States – the leaders of the nine countries met in Paris for a Summit to determine the direction and political agenda of the new Community. The Summit placed a particular emphasis on the social dimension of EEC policy. The moral imperative to act decisively in the social field had come from the German Chancellor, Willy Brandt, who wrote, "At the time I tabled a memorandum on European social union: it must be made clear to people, I said, what the Community meant and could mean in their work and their daily life. Social progress was not to be seen as a mere appendage of economic growth. If we develop a European perspective on social policy, many of the citizens will find it easier to identify with the Community."

1973 - The year of the Social Action Programme

As Ireland entered the EEC, the then Minister for Foreign Affairs, Dr Patrick Hillery, was nominated as the Irish Commissioner for the newly established thirteen-member Commission, and was named as one of the five Vice-Presidents. Francois-Xavier Ortoli of France was appointed President in succession to the Netherland's Sicco Mansholt. Dr Hillery wrote of his appointment, "...[W]e met in January 1973 to discuss the distribution of portfolios. I asked for Social Affairs. The summit meeting in Paris had called on the Commission to develop a social action programme, and it had also been decided at that summit to restructure the social fund. Both of these considerations were in my mind in choosing that portfolio." Dr Hillery was subsequently made Commissioner for Social Affairs.

Based on the political mandate established at the Paris Summit, the new Vice-President Hillery commenced work on drafting a Social Action Programme for the enlarged Community. By April 1973 a paper on 'Guidelines for a Social Action Programme' was ready for submission to the Council of Ministers, the European Parliament, and the Economic and Social Committee. The Council held two meetings on the issues and its deliberations extended into May, after which Dr Hillery set about direct consultation of the Member State Governments with a view to a formal decision in autumn.

Thus, 1973 became the year of the Social Action Programme. From the arrival of Dr Hillery in Brussels in January, to the late-night session of the Social Affairs Council in December, an intense process of drafting, consulting, and negotiating resulted in a ground-breaking set of measures which transformed the social policy dimension of the European Community, even if the evolving global economic situation was to introduce doubts and constraints. For 1973 was also the year of the Yom Kippur War in the Middle East and the first Oil Crisis, which had an immediate and wide-reaching impact on growth and jobs across Europe and on the political fortune of Governments and of the leaders who had drafted the Paris Summit Communiqué.

In Ireland, the 1973 General Election had seen the emergence of a National Coalition Government of Fine Gael and the Labour Party, led by the Fine Gael Taoiseach, Liam Cosgrave, and Labour's Tánaiste, Brendan Corish. I was invited to become Special Advisor to the Tánaiste and Minister for Health and Social Welfare, Brendan Corish, and his Junior Minister, Frank Cluskey, with special emphasis on European social policy. Frank Cluskey had been given effective status as Minister for Social Welfare, while Brendan Corish focused on the Health portfolio and on his considerable responsibilities as Tánaiste. I took up the position on secondment from my position as Economist with the Irish Sugar Company where I had dealt with EEC Affairs.

The Guidelines were discussed by the Council of Social Affairs Ministers on 21 May 1973 at which Ireland was represented by the newly appointed Minister for Labour, Michael O'Leary TD, and Parliamentary Secretary (Junior Minister), Frank Cluskey TD. They set out a number of concerns about the content of the Commission paper, giving particular attention to issues arising from regional inequalities in the Community and to the need for policies, and appropriate funding arrangements, to deal with them. They pointed to the need to broaden the proposed policies to include Community-wide actions supporting the weaker sections of society and to ensure that research and study into social problems would be pursued. The Council made no decision at this initial meeting, and Vice-President Hillery proceeded to develop the various proposals and to conduct face-to-face consultations with the

relevant national Ministers and with the social partners at both EC and national level.

In the weeks following the May 1973 Council, work commenced on developing the Irish position across the range of issues raised in the Guidelines. Consultation with academic and non-governmental circles about the details of the proposed programme was undertaken by the Special Advisors working with Ministers O'Leary and Cluskey. These conversations included consideration of the opportunities for action in Ireland – initially through a programme of pilot schemes and studies – to expand the range of ways in which to meet the commitments in the Coalition Manifesto (Statement of Intent) on eradicating poverty.

When it was indicated that Vice-President Hillery was coming to Dublin after the long Brussels summer break for consultations on the Social Action Guidelines, I prepared a memorandum for Brendan Corish and Frank Cluskey as a basis for discussion. Closely following the lines of the Labour Party post-Kilkenny paper, it stressed the many features of the Commission proposals which Ireland supported and hoped to see implemented, “together with such additions or expansions to the proposals as may appear necessary in Irish circumstances.”

The memorandum raised the possibility of European funding for special projects, pilot schemes, and research in areas of social concern in EEC Member States, and pointed out that a number of such projects in the poverty area were under consideration in Ireland. It stressed the need for research projects as the basis for policy and action. It was agreed that these ideas would be raised with Vice-President Hillery for consideration as elements of the emerging Commission Programme. It concluded with the insistence that “the whole Irish policy position must be presented as a long-term contribution to the evolution of overall Community programmes. This will depend upon an understanding of the total Community requirements and priorities in the social area and of the relationship between this area and that of economic policy.”

On Monday, 3 September 1973, Vice-President Hillery arrived for his meeting with Brendan Corish and Frank Cluskey, which I attended with the Tánaiste's Special Adviser, Flor O'Mahony. The meeting was extremely business-like and Dr Hillery quickly responded to the suggestion about pilot schemes with a direct challenge. If we could furnish a clear, succinct, written proposal within a week or so he would give it serious consideration in proceeding to a final draft Social Action Programme. He stressed the importance of a pragmatic approach, especially in respect of funding and indicated that it would be necessary to find a workable legal basis in the Treaties for such an initiative. He left the firm impression that, if the paper was delivered, the final draft Programme would include a proposal on poverty.

As the Vice-President was being escorted to his car, I was instructed by Frank Cluskey to arrange for the preparation of the written proposal. By agreement with the Secretary of the Department of Social Welfare, a small working group was established including the Special Advisors and key Social Welfare civil servants, notably Edward McCumiskey who was to play a key role as Social Welfare attaché in the Permanent Representation in Brussels and who would go on to become a distinguished Secretary General of the Department. The group worked over the following few days – during which Vice-President Hillery's Chef de Cabinet, Ed Fitzgibbon, made a friendly call to the Department to check on progress – and produced a draft paper which was approved by Frank Cluskey on Friday, 7 September.

The paper was a two page document – ‘Social Action Programme –Pilot Schemes’ – in which the proposal was clearly set out: “to initiate a series of pilot schemes of social action in selected, representative communities in order to provide a basis for the evolution and implementation of policies for the alleviation and elimination of poverty.” The objectives included identification of the problems arising from poverty, action to end the cycle of poverty, promotion of community action in relevant areas, and assessment of the information arising from these actions. Project Teams would be organised drawing on a range of skills with a small monitoring and review group.

The schemes would direct attention to provision of information on available services, deployment of specialist services, stimulation of community action aimed at generating self-sustaining efforts at breaking the poverty cycle. The pilot schemes should be representative, situated in centre-city depressed areas, working-class housing schemes, suburban residential areas, small rural towns, working-class areas in larger rural settings, and rural areas.

On Monday, 10 September, I flew to Brussels where I presented the two-page document to Ed Fitzgibbon and his colleagues, John Feeney and John McColgan. He delivered a copy to the Irish Permanent Representation and met the Confederation of Irish Industry Representative in Brussels, Paddy Jordan, to talk about the role of the social partners in the evolution of the Social Action Programme. During the next two weeks, Frank Cluskey visited Copenhagen, Bonn, and Brussels for discussions with his opposite numbers in the Danish, German, and Belgian administrations on the development of the Social Action Programme and on the specific views of the Irish Government, including the poverty proposal.

In October 1973, Vice-President Hillery produced a draft Social Action Programme – a 70-page document setting out details of more than 40 proposed programmes and actions, aimed at achieving three fundamental objectives: full and better employment; improving living and working conditions; and a more active role for the social partners in Community decision-making. Major emphasis was placed on issues such as equal pay for men and women; provision for migrant and handicapped workers; health and safety at work; the principle of the 40-hour week; and legislation on mass dismissals.

A set of proposals on issues such as equality in the labour market, social integration of people with disabilities, and protection of workers’ rights included a proposed action “to implement in co-operation with the Member States, specific measures to combat poverty by the preparation of pilot schemes.” The Irish poverty proposal had, thus, been taken up by the Commission, meeting Frank Cluskey’s goal, which was “to get the issue on to the agenda and to set up a programme and begin to get things done.”

Formal Council consideration of the Programme was scheduled for 12 December 1973. In advance, Frank Cluskey held a press briefing in Áras Mhic Dhiarmada on Friday, 7 December at which he argued that “expressions of solidarity, while constituting important bases for action, will not bring a ‘human face’ to Europe or change the largely economic and market ethos of the Community in themselves. They must be translated into concrete propositions for action and change.” He stressed three key principles: that social policy must permeate all areas of Community activity; that social policy must be relevant to all the people of the Community, not just the employed or potentially employable; that the necessary

mechanisms and institutions must be provided for the achievement of the actions arising from the application of the first two principles, including adequate resources for the European Social Fund.

Vice-President Hillery's Social Action Programme was adopted, in principle, by the Council in a meeting on 12 December 1973, although this was dramatically overshadowed by the political fallout from the Yom Kippur War in the Middle East, which had resulted in massive increases in oil prices and a subsequent deep recession. The outcome was translated into a formal Council Resolution and adopted in January 1974. As Vice-President of the Commission, Dr Hillery was given the 'green light' to proceed with drafting the appropriate Community legislation to implement the twenty policy areas and developing the necessary organisational arrangements. In carrying out these tasks, he was confronted by the difficulty of identifying adequate, and sustainable, sources of funding.

Beyond 1973 - The Continuing Story

A Summit Meeting of European Communities Heads of Government, in Paris on 9 December 1974, concentrated on the economic and financial problems facing the Member States but agreed that, "being convinced that, in this period of economic difficulties, special emphasis should be placed on social measures, the Heads of Government reaffirm the importance which they attach to the implementation of the measures set out in the Social Action Programme." The Summit also decided that, from 1975, the Summit Meetings should be constituted as the European Council, the first such meeting to take place in 1975 under Ireland's first Presidency of the Council.

On 8 January 1975, the Commission sent a Communication to the Council containing details of the Programme of Pilot Schemes and Studies to Combat Poverty which it described as "a new element in the development of the Community." The Commission argued that "a programme of pilot projects cannot itself abolish poverty, but it can serve to develop clearer perceptions of a complex problem and pioneer new techniques for tackling it, thus contributing to better informed and more effective policies for the future."

On 18 April 1975, Vice-President Hillery, for the Commission, submitted to the Minister for Foreign Affairs, Dr Garret FitzGerald, in his capacity as President of the Council, the formal Proposal for a Council Decision concerning the Programme of Pilot Schemes and Studies to Combat Poverty. The Proposal was taken up by the Council Social Questions Group where the key element of the discussion related to the arrangements for financing the schemes and studies.

The Social Affairs Council was scheduled for 17 June 1975 in Luxembourg. A fortnight before that date, a referendum was held in the UK on the issue of continuing membership of the European Communities. This took place after a 're-negotiation' of the British terms of entry demanded by the then Prime Minister, Harold Wilson, and concluded at the first meeting of the European Council in Dublin in March, under the chairmanship of the Taoiseach, Liam Cosgrave. The referendum saw a 67%-33% result in favour of continuing UK membership, on a 65% turnout. One of the leading advocates of leaving the Communities, First Secretary of State and Secretary of State for Health and Social Security, Barbara Castle, was listed to attend the Council meeting. On her way to Luxembourg, she spoke to a ministerial colleague of the items on the Council agenda as examples of "those pretentious

pieces of EC legislation which can be as grandiose as you like because everyone ignores them when it suits them.”

The meeting convened under the chairmanship of the Minister for Labour, Michael O’Leary. Frank Cluskey occupied the Irish delegation seat, and I attended as part of the delegation. Vice-President Hillery was the Commission representative.

The Council Agenda listed four items for consideration and decision: Proposal for a Council Decision concerning the programme of Pilot Schemes and Studies to Combat Poverty; Proposal for a Council Recommendation regarding the application of the principle of the 40-hour week and four weeks annual paid holidays; Proposal for a Council Decision for intervention by the Social Fund to encourage structural adjustment measures; Proposal for a Council Directive on the implementation of the principle of Equal Treatment for men and women workers.

On the Poverty Programme there was a day-long test of resolve between Frank Cluskey and the German Federal Minister, Walter Arendt, with the immediate and future financing of the initiative at the heart of the argument. The Equal Treatment proposal was opposed by the UK in respect of its financial implications in the area of social security. It was clear that the formal UK position was dictated by the Treasury and that Barbara Castle was deeply unhappy with the position she was obliged to advance at Council.

Eventually, the Council approved the other agenda items and it was agreed that a decision on the Equal Treatment proposal should be deferred, leaving Poverty as the last item on the table. The argument on finance became a confrontation between Germany and the rest of the Council. With an effective German veto in play, Dr Hillery advised Frank Cluskey to accept the inevitable, and it was finally agreed that the text should be agreed, subject to a Commission Statement which met the German demands, providing for limits on funding in 1975 and indicating that the Commission would seek to fund activity in 1976 by making a proposal “as part of the budgetary procedure.”

Frank Cluskey commented:

The adoption...of the Decision on the Programme of Pilot Schemes and Studies to Combat Poverty marks the culmination of almost two years of effort to give reality to an Irish initiative and, at the same time, the beginning of practical work on the programme in all the Member States of the Community. It is a cause of satisfaction that this decision has been taken during the period of the Irish Presidency of the Council of Ministers. The hard work and skill of the Commission officials has also contributed to the successful launching of this Irish initiative.

In Ireland, the Brussels decision led to the establishment of the first Combat Poverty Committee, chaired by Sister Stanislaus Kennedy who had played a key role in the Kilkenny debates. Séamus Ó Cinnéide was a founder member of the Committee – thirteen of the sixteen individual members of which had attended the Kilkenny Conference. Sister Stanislaus noted this statistical fact in her final Committee report and commented that the bridge from ideas and debate to action had been crossed.

Conclusion

The 1973 poverty story was notable for the contributions of two Irish politicians who worked with commitment – and success – to advance their personal social visions.

Frank Cluskey, with delegated authority over the Social Welfare department, implemented substantial reforms in social benefit. These included the introduction of allowances for deserted wives, unmarried mothers, prisoners' wives, and single women caring for aged relatives. He introduced payment of the children's allowance directly to mothers (regarded as a radical innovation at the time), eased means tests, reduced the qualifying age for the old age pension by four years to 66, established the Combat Poverty Agency, and introduced Pay Related Social Insurance (PRSI). He oversaw a threefold increase to £274 million in exchequer allocation for Social Welfare during the coalition's lifetime, and an increase of 125 per cent in benefits, considerably ahead of wages and prices. He went on to become Leader of the Labour Party, Minister for Trade and Commerce, and Member of the European Parliament.

Over two years, Patrick Hillery sought to maintain much of the original dynamic behind the Social Action Programme in the face of the Oil Crisis. In particular, he accorded special priority to the elements of the Programme related to the position of women in European society. He resigned from the Commission in October 1976 to return to Ireland where he had accepted nomination as President of Ireland following the abrupt departure from office of President Cearbhall Ó Dálaigh. Dr Hillery's term as the first Irish member of the Commission was busy and fruitful. His biographer, John Walsh, has written that "the wide-ranging role of European Commissioner gave Hillery the greatest freedom that he had enjoyed as a public figure...he had the advantage of a clear political mandate from the national leaders to give Europe 'a human face'."

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The IIEA acknowledges the support of the Citizens, Equality, Rights and Values (CERV) Programme of the European Union

