Thank you for your kind invitation to be here with you this evening, in this most historic of venues. Dublin Castle sits at the heart of this great city, and is close to the place where the Vikings first established a trading centre at the mouth of the River Liffey in the year 841AD. So, as you see, Ireland has been attracting foreign direct investment for around 1200 years!

You join us here at an important time. Europe, as you know, has been through a turbulent time in recent years, when the very nature of the European project has been thrown open to question. There have been times in the past two years when sensible people could legitimately ask whether a country could leave the Eurozone, or whether there was a future for the single currency. I think it is fair to say that many looking at Europe from a distance, including many friends from the US, wondered the same.

Today, our prospects look brighter. We have now had a period of relative calm on financial markets. Europe has made important policy decisions which have helped to restore stability. When you look at the substance of what has been done, there can be no doubt as to the commitment that has been shown to deal with our problems.

In Ireland we reached a view at a very early stage that the only path to recovery, both for us nationally and for Europe, lay through a stabilisation of the currency, i.e. a commitment to making it clearly irreversible.

At the same time we needed both greater solidarity and deeper integration.

This is the path that has been pursued.

In getting to grips with the crisis we have crossed many rubicons and overturned long-standing taboos.

We have strengthened the rules underpinning the euro, and our ability to enforce them.

We are working towards integration in banking – both in how banks are supervised and in how the consequences of their failure will be handled in the future.

We have greatly enhanced the obligation on those who share a currency to observe fiscal discipline. In Ireland we have even fought – and won – a referendum on the need to impose limits on structural deficits.

The reality is that there has been a very real political response.

Faced with some pretty existential questions, and despite the sometimes very unpromising domestic climates they have faced, Europe’s leaders have demonstrated that they are prepared to take the steps needed to secure the future of the currency and of the Union.
We have built solidarity mechanisms – and without giving rise to the type of moral hazard that some predicted. Commitments entered into by those who have availed of support have been honoured. This has been critical to building and maintaining mutual trust.

The ECB has made it clear that it is prepared to step in to buy bonds in the secondary market where this is appropriate and necessary, subject to conditionality.

We have accepted that the link between banking and sovereign debt must be broken, and we have moved light-years forward on banking union.

But stability, while it is important, is not enough. Stability must be the platform for what comes next. Europe must now intensify its focus on growth and employment creation. Too many Europeans are without jobs, and too many young Europeans are without prospects and opportunity. This week, the IMF drew a sharp distinction between the pace of recovery in the US, and the relatively slow pace of growth in Europe.

That is why, while we have important work to do in moving ahead with financial reform, including banking union, Ireland has self-consciously identified our Presidency priorities as Stability, Jobs and Growth. Europe must do all that it can to promote growth and job creation in the short term, but also in the medium and longer term. It is important that we drive ahead with The Compact for Jobs and Growth – the blueprint for economic recovery which EU Heads of State and Government adopted last June, at the suggestion of President Hollande - and that we work together as 27 member States to implement it. The Compact identifies the single market and external trade as being the two main drivers for growth. We have made some progress in advancing the Compact, but there is more to do. We have also made important progress in developing the idea of a Youth Guarantee, but again, we have to push on to make it a reality.

In Europe, and on the global stage, we must look to the drivers of growth, and job creation. We must ask ourselves what will provide fresh impetus to our economies, now and in the decade to come. From the earliest days of preparing for our Presidency, Ireland has seen the potential contribution that can be made by an agreement on trade and investment between the US and Europe. You all know the statistics – the sheer scale and important of the US and Europe combined within the global economy, and the potential increase in output that comes with it. You know too, that an agreement on trade and investment between Europe and the US, would set a standard, and act as a catalyst for other countries to come on board. I was in Turkey last week, for example, leading a trade mission, and also speaking to Turkish leaders about their accession to the European Union. It was absolutely clear that they want to be part of this process, and other countries will want the same.

The economics of this agenda is convincing but, of course, economics alone is not enough. We need the political will and leadership to bring this about. And that isn’t easy. It has never been easy to convince people of the benefits of free trade and greater international investment flows. For the first thirty years of the life of this state, Ireland tried to go it alone – to develop an industrial base behind tariff barriers. It was an experiment which failed both economically and socially. What we have learnt is that both our economy and our society have prospered since we opened up to the world. Today, we are the second most globalised economy in the world, and while we have had our problems, we retain the capacity to create a prosperous future as a trading nation.
Free trade, as an idea, can often seem counter-intuitive. And even today, it is difficult to convince people to embrace the idea. A free trade and investment agreement has the potential to improve the income and job prospects of our countries as a whole, but people will naturally ask, who are the winners and who are the losers? Those who are at risk of losing out will naturally ask how the benefits to a society as whole will flow to them. The politics of trade agreements are difficult, because you have to ask people to put their own particular interest to one side, and look to the greater good. And you have to find a way to make sure that the costs and benefits are fairly borne.

It doesn’t always work. If it was easy, we would have done it long ago, but, given the economic trauma that we have all been through in the past five years and more, we have to take on those difficulties. We have to put the greater interest first, and try to work our way through the difficulties.

Across the world, one of the things that people say about Ireland is that, yes, the problems are great, but we are dealing with them, and we are dealing with them without open conflict. That’s not the same as saying that people are happy with everything that has happened, - of course they aren’t - but we have maintained stability and industrial peace. Are we now going to put all of that at risk? Are we going to go down the road of conflict and confrontation?

There are no easy options. There are no fairytale solutions, but we are 85 percent of the way towards financial stability.

In the past two years, we have asked a lot of people. And what we have found is that, despite everything, there is a deep well of patriotism in this country. The vast majority of people want the country to succeed – because they know, that there is such a thing as society. They know that unless the country succeeds, none of us can succeed.

What the Government has to reflect on is how to move on from here. We have to respect the people who voted. We have to reflect on what that means, but we also have to reflect on the bigger picture. On how to guide the country forward to effectively exit the programme and continue the work of rebuilding the economy and creating jobs. We have to unite the country, not divide it. Where we look honestly at what it is that remains to be done, in financial reform, in budget adjustment, and in respect of economic growth.

Two years ago, very few people believed that Ireland would be able to exit its programme in 2013. Today, we are only seven months from achieving that goal. What we have achieved has been remarkable. What we need to do now, is to set out our goal, of how to finish the job, and how to do it fairly. I am confident we can do that.

Thank You.