Speech by The Rt Hon Peter Hain, MP, Secretary of State for Northern Ireland to the British Irish Association conference, Oxford, Saturday 9 September 2006

Mr Chairman, Ladies and Gentlemen, I'm delighted to be here at the BIA again addressing an audience which I can see includes many old friends – and not a few critics. I can see the holidays are over.

I hesitate a little at the sight of so many eminent academics and historians, some of them around the table in front of me, because what I want to say tonight touches on the study of history. But I think anyone who has heard as many history lectures as I have in the 16 months since I started this job has earned the right to respond occasionally. In fact I quickly discovered that Northern Ireland has more amateur historians per square foot than anywhere else in the world. So much so that I'm thinking of building on the immensely popular water charges with a new tax on history – a 'history charge' - if the Assembly isn't restored by November. Obviously the further you go back the more you pay.

What I would like to do tonight is to reflect briefly on the political opportunity for Northern Ireland which presents itself this autumn and to argue that, particularly in the history of unionism, this is a moment of huge significance. I want to suggest to you that there are very strong political and global economic forces which mean that this is not just another lap on the seemingly endless circuit of the peace process.

I have spent a great deal of time over the past year engaging with unionists – leaders, politicians and members of the public. I have also tried to reach out to the loyalist community and I will say a little more about that in a moment. Needless to say, I have engaged equally with nationalists. But I made a speech about republicanism earlier this summer and I hope you will understand if my main focus tonight is on unionism.

What has struck me in all these encounters is the lingering sense of insecurity which still runs deep in the unionist community. By contrast, unionists often see nationalism as self-confident, dynamic and forward-looking. I understand some of the causes of this insecurity. The terrible suffering inflicted during 30 years of violence not only destroyed lives but convinced unionists that there were those who believed violence could be used to destroy their identity – that they could then be bombed into becoming something they weren't and didn't want to be.

At a deeper level, the Troubles brought to the surface fears which took root as long ago as 1641 – fears of a minority population on the island of Ireland.

It was those fears –real or imagined- which led the unionist majority administration in Northern Ireland to abuse its power in the decades following partition. It might best be summed up by what John Dunlop calls a 'precarious belonging', a sense that at any moment the community may come under another siege.

To an outside observer it is not always easy to understand why this insecurity remains. Whatever the unionist reservations about the Good Friday Agreement, the removal of articles 2 and 3 of the Irish Constitution was hugely significant. So is the principle of consent. It has allowed relationships between North and South, and East and West to flourish; and it has allowed the Taoiseach to declare formally what everyone knows but found difficult to state: that the constitutional issue is 'settled' and can only ever be revisited through peaceful and democratic means.

If the constitutional source of insecurity has been removed then the threat of violence has ended just as decisively. Everyone here recognises the significance of last year's IRA statement and, as importantly, the judgement of the IMC this week that the IRA is "committed to following a political path", "is not engaged in terrorist activity" and its "leadership is opposed to the use of violence in community control, has taken a stance against criminality and disorder amongst the membership".

Unionists have traditionally demanded actions rather than words from the IRA – here they have the actions. I recognise that in the past unionists have been right to complain that the IRA has not always fulfilled its commitments and as a result some of those in the unionist community, who took the greatest risks, as they saw it, feel betrayed. For over a year now the commitment of the IRA to stop all its activities has been tested in the most methodical way possible. The final word must be left to the IMC and what no-one can seriously question is the objectivity and independence of the testing process.

This testing process has included no less than 6 IMC reports on different issues since the IRA statement of July 2005. That is a measure of the volume and depth of the rigorous work undertaken by the IMC.

The reality is that the physical force tradition in mainstream republicanism has, belatedly, come to an end. Of course there will always be the possibility of violent extremists in any society. This summer's events in Newry remind us that there are still a few individuals who fear democracy and will do all they can to frustrate political agreement this autumn. But the conditions simply do not exist to sustain any community support for a campaign of violence now in Northern Ireland. The siege has been lifted.

Republicans realised long ago that the armalite is not an effective way of changing people's minds, let alone their identities; that bombs do not convince your opponents that you are a trustworthy partner in peace.

Many loyalists have, I think, begun to recognise this shift and to assess their own response. They have played their part in making this year's parading season the quietest for 35 years. Many others, including the loyal orders, community and political leaders and, of course, the Parades Commission and the PSNI deserve great credit. I think there is a growing recognition that if we are to build a shared future in Northern Ireland we need to address issues like parading for the longer term. We can only do so by bringing all those involved into dialogue.

David Hanson and I have also done whatever we can to encourage those loyalist leaders who genuinely want to move away from violence and criminality and we will continue to do so. The past ten years have shown that it is necessary to take risks for peace. Both main loyalist groups have, through their political representatives, said that they want to transform their organisations and both have expressed to me the kind of political fears I have just been describing.

Assurances to unionists and loyalists from British Secretaries of State have a tendency to be counter-productive. But I'll try. Do you have a valid, honourable and valued place within the United Kingdom? Yes you do. Indeed I would go as far as to say that my analysis suggests to me that Dunlop's 'belonging' of unionists – their identity - has never been less precarious in their entire history than it is now.

Unionists have every right to be confident: in their culture, in their politics, in their politicians. Because the ballot box is the ultimate guarantor of security: in a power-sharing Government based on equality everyone is stronger by definition, because every identity is respected and given weight. The greatest threat to loyalism today is not political or constitutional at all – it is from self-inflicted violence and criminality.

And yet there are still lingering doubts among unionists about political engagement this autumn and power-sharing. Some arise from concerns about republican attitudes to law and order, which I addressed in a speech in Donegal in July, but others are rooted deeper in history, in a sense that however secure unionists may feel by any objective measure *now*, this is only ever a temporary truce in an age-old struggle.

I profoundly believe that this judgement is a misreading of Northern Ireland's place in the modern world and that unionists and nationalists now have the opportunity – which may not otherwise return for many years – of moving Northern Ireland into a new era. Let me explain why.

The Union of which they are part – the United Kingdom - has evolved since Northern Ireland came into being and not just in terms of its place in Europe, for example, or of devolution for Scotland and Wales, hugely significant as all that is. The Union of 2006 is different from the Union of 1926 or of 1966. Being part of that Union now means being part of a forward-looking, dynamic economy and a society that has long ceased to be monocultural.

The Union itself is evolving – it is not fossilised – and Northern Ireland cannot proceed as if it was hermetically sealed from that development.

Because there is, I fear, still a tendency to see Northern Ireland's history in isolation from world events, as if the age old struggle was taking place in a world apart. Churchill's famous "dreary steeples" comment in 1922 lamented what he saw as an intractable quarrel continuing unscathed in Ireland while the rest of the world reeled from the cataclysm of the First World War.

But while Churchill expressed familiar frustration, his analysis was wrong. That global conflagration *did* have a profound impact on the history of Ireland, North and South and on its age-old disputes.

In fact the great benefit of the spate of anniversaries which we have been marking over the past few years is that they have allowed us to see that 'the Irish question' is not immune from global events. So the bicentenary of the 1798 rebellion prompted not only a reassessment of the involvement of protestants in that uprising but, more importantly, a greater recognition of its place in the revolutionary tide sweeping Europe and North America. This year's anniversaries of the Somme and the Easter Rising have been widely welcomed as another step forward in healing the wounds of history in the British-Irish relationship. But they also remind us of the impact of global events in the first quarter of the 20th century on this small island.

In more recent times, few historians would not link the civil rights movement in Northern Ireland to the broader movements of the 1960s, or the rise of paramilitarism in the North to the rise of urban guerrilla movements across Europe in the 1970s. In short, Northern Ireland may have had its own historical struggle expressed in strangely traditional ways, but it is not immune from the tide of history and certainly not immune from the forces of contemporary globalisation.

So what are the global political and economic forces influencing Northern Ireland's future now and how should its political leaders respond?

I have spent the past year repeating the mantra that the Northern Ireland economy cannot be insulated from the rise of the emerging economic super powers of China and India. I am glad that the BIA has spent some time looking at the economy this year. The challenge is clear: unless Northern Ireland can dramatically improve and widen the skills of its workforce, it will be left far behind. It has the opportunity – a workforce that is young by European standards and well-educated - but it does not have much time.

I don't want to repeat everything I have said over the past year about the challenges of globalisation and the response Northern Ireland needs: rebalancing its unsustainable economy, reforming its bloated public sector, addressing the chronic waste and inefficiency of providing duplicate services to the two communities. But let me instead emphasise that the tide of world events influencing this small corner of Europe is not purely economic.

This summer of conflict in the Middle East has demonstrated once again that, faced with a dispute over territory and identity in the post Cold War world order, violence cannot help either side. Dialogue, accommodation and compromise are an inevitable end point which each side must reach in its own time. But such moments come and unfortunately they can go. We can all point to parts of the world that have failed to grasp the opportunity and to capitalise on the political moment.

This autumn I genuinely believe we are at such a moment in Northern Ireland. There is an opportunity that simply has to be taken now because I have to be honest and say that I do not believe this opportunity can be delayed further and certainly not beyond the statutory deadline of 24 November. And to speak of such an opportunity as being a defining moment for an entire political class in Northern Ireland is not melodrama. It is the assessment of an experienced politician trying to be as objective as possible about the choices facing fellow politicians. If its politicians miss this opportunity and fail to discharge their responsibilities, it may not arise again. The world will move on without them.

Other conflicts – for example in the Basque region – are moving at different speeds towards the same conclusion. Once again Northern Ireland is not unique, as some like to think and certainly not immune to these tides of change.

Finally, let me look ahead to another anniversary approaching in three years' time, one which may surprise you: the four hundredth anniversary of the Plantation of Ulster. Even to say this will, I suspect, trigger an emotional reaction in many of you. The Plantation goes to the heart of the insecurities and grievances of both communities in Northern Ireland and touches the core of the constitutional issue for the whole island. It also poses a question to both communities: do we accept that the Plantation is not just a historical reality that cannot be wished away but the society which grew from the Plantation is also a reality which cannot be wished away? There is, I have no doubt, still a part of each tradition which might in its heart of hearts wish otherwise.

But I genuinely believe that each tradition is realistic enough now to realise that the sooner Northern Ireland as a whole comes to terms with the fact that these wishes can never be fulfilled the sooner we all can begin to shape a better future.

This is not the moment to explore the significance of the Plantation in detail. But let me suggest two visions for how that anniversary might be marked.

If we fail to restore power-sharing this autumn there are very strong reasons for believing that the two Governments are unlikely to be in a position to make another attempt to bring the parties together until after the next Irish and then British general elections. So that anniversary in 2009 would look back on three years of marking time, during which Northern Ireland will slip further behind in the global economic race and community relations will stagnate or deteriorate as each side blames the other for the lost opportunity. The dissolution of the Assembly would see a political class melt away in failure. Worse, another generation of young people would equate economic dynamism and opportunity with life outside Northern Ireland.

Alternatively, by 2009 the Northern Ireland Executive and Assembly could have spent three years working together – albeit with inevitable tensions - to transform the economic and social prospects for the next generation. They could have started to lay the foundations for a new era of high-skilled knowledge-based private sector regeneration which could easily rival the economic achievement of Northern Ireland in the first half of the 20th century. They could have made the island of Ireland a world leader in many areas: in pioneering sustainability; addressing the hunt for renewable energy that will continue to shape global politics for the rest of this century; harnessing and managing the economic impact of mass migration. Who knows, Northern Ireland might become a world leader in ethnic/religious integration and diversity, on democratic power-sharing in divided societies and on modern community policing.

But this time the economic progress in Northern Ireland will be built on equality and on partnership with the economies of the Republic of Ireland and Great Britain - and therefore on stable and durable foundations. That stability and prosperity could begin to provide the kind of deeper security which both communities crave.

In short, will political leaders seize the opportunity now to transform Northern Ireland, knowing that they can only do so together? If so, then the anniversary of the Plantation could be a moment to affirm the belonging of *all* in Northern Ireland rather than a commemoration of what divides its people.

It would be a recognition that not just the lives but the future success and prosperity of Northern Ireland are genuinely 'entwined', as the book I launched earlier this evening suggests. These would be steps towards a new era of confidence. The first of these steps has to be taken this autumn. I hope it will be.