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Protectionism to liberalisation: Ireland and the EEC, 1957 to 1966

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1 Small power and peripheral: Ireland in the 1950s

An introduction to the island

The island of Ireland is a mass of contradictions. The identities divergently championed in its distinct administrative halves – Ireland and Northern Ireland – only demonstrate the extremely complex nature of the relationships that exist in both countries, between culture and politics, economy and society, as well as the numerous nefarious associations that are perpetuated by linking the past to the present. This chapter concentrates on the singularity of just one of those states in the first two decades following the conclusion of the Second World War, by exploring its experiences as an island-nation and examining an enduring relationship with its UK neighbour, by investigating the economic attractions Europe held and surveying its connections with the wider world. Much of the information that is presented here, however, is only a mirror-image of that which pertains to the aforementioned north-eastern section of the island. Thus, Ireland has to be investigated at a number of different levels – its politics, its inconsistencies, its nationalism, its geography – in order to understand the idiosyncratic disposition which it brought to bear upon its relations with the EEC in the years between 1957 and 1966. Essentially, this short first chapter therefore acts as a passage into the heart of this text.

In her account of *The road to Europe: Irish attitudes, 1948-61*, Miriam Hederman has discerned four features which, in the context of its European neighbours, distinguished Ireland in the immediate post-war period, even if it shared attributes too. She lists them as follows:

- neutrality – although it was able to maintain this stance in the face of considerable intimidation during war-time, pressure to conform did not abate in peace-time, as Ireland self-consciously and proudly remained a case apart from the European norm;
- partition – especially when linked with military developments,
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Ireland's position on Northern Ireland's existence within the UK only tended to complicate its subsequent relations with Europe and the wider world;

- emigration – continuing to drain the Irish economy and society of its main resource, the cultural and psychological effects of this process were disastrous, negating most attempts to make economic progress and differentiating itself from the European 'mainland';
- nationalism – Ireland's views of itself and the outside world were both fashioned by its innate need to maintain a distinct cultural identity and through its continuing search for validation.

That clearly leaves room for the question: what did it share with Europe and the UK? Indeed, to these features, additional assertions can be added. Post-war Ireland displayed, perhaps even enshrined, characteristics such as the absence of real reform or modernising processes, as well as a lack of dynamism regarding government-inspired programmes and the frailty of those in existence; to this list can be added a church-state relationship which all too often revealed that the former was at best 'interested' in state affairs, if not also an obstruction to real change, and the fragmentation of Irish politics with its endemic in-fighting, as well as the clientelistic nature and structure of its economics, politics and society. The dangers inherent in utilising umbrella terms or categorisations are of course considerable, but via the use of prisms such as economics and politics, diplomacy and personality, colonialism, religion and nationalism, a clearer pattern emerges. However, theory must not be allowed to dominate at the cost of factual content; 'labels and packaging' of any kind are best avoided if at all possible, even if the application of theory is a very interesting and rewarding means through which to view Ireland's experience of integration. How did it operate in Andrew Moravcsik's model, for example, as an outsider which, with its own national preferences, ultimately tried to negotiate EEC entry as it became more realistic about its position in the world?

Continental Europe knew little of Ireland's political or cultural history, confusing the country with 'England', in much the same way as it still does Scotland and Wales. Its own views of Europe were equally suspect, although it did not necessarily consider the UK or the USSR to be in this politico-geographical category because of an intertwining history with the former and through pure ignorance regarding the latter. Ireland did maintain a significant global presence in political and ecclesiastical circles, but the country was more likely to be known and represented in the
Anglicised world of the UK, the US, Australia, New Zealand, Canada, or South Africa, than anywhere else. Its position on the edge of the ‘Great Europe of the geographers – the Europe which stretches from the west coast of Ireland to the Urals, and from the North Cape to the south coast of Sicily’ – meant that relations with its European neighbours were always going to be somewhat complicated. A legitimate basic question can therefore be posed straight off: what could Ireland and Europe have had in common with each other? Miriam Hederman has revealed three basic similarities:

- post-war economic crisis – disproportionately sharing the exigencies of the Second World War did not mean that Ireland could continue to remain impervious to world developments in its aftermath;
- changes in domestic politics – Ireland may not exactly have had the same political experiences as its continental brethren, indeed one foreign minister boasted that an indigenous communist party could not exist, but the country was ripe for radical political change;
- relations with the US and USSR – two superpowers now existed, with spheres of influence enveloping the whole globe, so that the world of 1945 was completely different to that of 1939.

Each of these points is dealt with in the course of this chapter as the perception of Ireland as a small power and peripheral is introduced in some detail. Beginning with a review of this classification as a theoretical concept, this first chapter then examines Ireland in the context of developments in European integration in the years leading up to the particular period under review. A survey of the Irish political landscape within this European framework follows, before the concept of nationalism is explored. This chapter concludes with an investigation into the dramatic and dynamic changes in the orientation of Irish foreign policy at this time as economic considerations began to become more important than political ones.

So, what in brief can be said of Ireland in the post-war era by way of introduction? Covering an area of around 70,000 square kilometres, with a population of about 2.8 million inhabitants, Ireland was a relatively small and insignificant country in this post-war period. This state of affairs was even more the case in the context of a Cold War that was dominating Western thoughts and actions, following on from a worldwide conflict which had only just previously devastated Europe, but which had largely
bypassed the country. Its geographical position in the shadow of the UK and as an island on the fringes of the European mainland, with a poor transport infrastructure and a lack of good communications links, contributed to a sense of inversion and isolation which permeated to the core of a conservative and fairly undynamic political structure. Its insularity regarding the continent of Europe was not a new phenomenon or the wish to expand its influence there a new desire; only by combining both of these would Ireland maintain its individuality. This was projected on the European stage through its diplomats who, ever since the early 1920s, apart from being 'highly educated' and in the possession of 'sound judgment', were expected:

... [to] possess a European culture ... We cannot force our narrow farouche insularity on Continentals ... At least two Continental languages besides Irish and English should be laid down as fundamental condition.

The capacity of Irish representatives to do their jobs was not always beyond question, partly because of the fact that their instructions were sometimes not of the highest quality. Socially, Ireland was haemorrhaging: 'More than half of those who left school in the early 1950s had emigrated by 1961'. For the most part, they went to high-wage economies in the Anglicised world; indeed, even when its status as a de jure 'republic' was established in 1948, Ireland's UK emigrants still enjoyed an unusually 'privileged citizenship status'. At least this emigration process meant that unemployment stayed manageable – around 6.2% of the total active population in 1957 – but, as Kieran Kennedy has pointed out, this meant that, 'uniquely among European countries, the level of total employment was less (by about 17 per cent) than in the 1920s'. That year, Gross National Product (GNP) was US$550 per head, which might have compared well to Greece, Spain, Portugal and Southern Italy, but bore no relation to any of the rest of the Six, or to Denmark and the UK for that matter; Irish per capita income that year was 46.3% of the latter's total, a figure which promised little sign of improvement. The situation was becoming drastic; the continued economic viability of the state itself was seriously at issue, as solutions other than emigration were needed. Indeed, a radical economic and social overhaul of the country was required, even if the politicians did not themselves appear to be up to the task; it was a slow process facing up to the fact that this could only be done in the realm of Anglo-Irish relations working within the context of Europe. Only with the emergence of a vibrant new administrative elite, especially after 1959, was the
government's economic direction transformed; the problems were monumental, but not necessarily insurmountable or in any way unparalleled. More detail on their extent in the post-war years is needed before explaining how the government went about solving them.

**Ireland's world position**

Immanuel Wallerstein, author of *The capitalist world-economy*, uses the term 'semiperipheral' to describe countries positioned on the 'outer ring of Europe', the economies of which can neither be described accurately as core or peripheral; in turn, his definition is partly based on what he terms as the 'productive activities' of semiperipheral countries. Indeed, he says that: 'In part they act as a peripheral zone for core countries and in part they act as a core country for some peripheral areas'. In addition, he expounds upon this assertion by stating that:

... the mark of a 'non-socialist' semiperipheral country in comparison to a core country is: a larger external and a weaker internal property-owning bourgeoisie; a better-paid professional sector and a more poorly paid sector of fully proletarianized workers, but a far larger (and probably worse off) sector of semiproletarianized workers.

Notwithstanding this author's obvious political leanings – a Marxist view of history in itself being of no more or less value than any other validly arguable perspective – this designation as a semiperipheral can be applied to Ireland with some degree of success. Martin Mansergh, Fianna Fáil's official historian, has graciously conceded that some of the best books on the history of his party 'are written from an intelligent Marxist historical perspective'. It is reasonable to argue, for instance, that extranational economic interests – such as absentee landlords and multinational companies – can be identified as the external bourgeoisie using this terminology, just as domestic business interests and larger farmers might be seen as the internal bourgeoisie. In this regard, it is worth noting that, in *Rethinking development: modernization, dependency and postmodern politics*, David Apter feels that:

Radical dependency theory, like the marxist critique of capitalism from which it derives, focuses on relations between center and periphery. It shifts the focus away from endogenous to exogenous causes of class polarization, a process universalized by such instrumentalities as
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multinational corporations and compradore classes. Dependency theory thus attacks liberal modernization theory at the point of discrepancies between its theory and practice, and, systematically, as a discourse.17

The value of this approach becomes more apparent as the chapters themselves progress, but is obviously only taken in conjunction with the facts that present themselves.

Dependency is actually a form of neocolonialism, applied and enforced through the use of economics – as opposed to military or political means – in order to retain control over former colonies. Westminster may not have exercised *de jure* control over Ireland's economy for the major part of this century, but the decisions it took in regard to European economic integration indicate that it exercised an influence which suggests *de facto* dominance or at the very least an overbearing influence. Of course, this can hardly be said to have been the fault of the UK governments concerned. However, it still remains difficult to classify Ireland in this period as either a dependent or as an interdependent country; neither category is totally satisfactory. Barbara Stallings, author of *Economic dependency in Africa and Latin America*, has explained the difference that exists between dependence and interdependence through the utilisation of export and import figures. Using this classification with regard to dependence, for instance, she states that:

... most of the underdeveloped countries depend for a majority of their exports and imports on one single advanced nation, while that nation, in turn, does only a small amount of its trade with the underdeveloped country ...

On the other hand, again using these same sets of criteria, she then goes on to add that:

Interdependency ... might be exemplified by an industrialized country which trades with many countries (in that respect, it is not totally independent), but only a small portion of its trade is carried on with any one nation.

Obviously, Ireland does not fit easily or exactly into either classification as it was somewhere in between the two. Although this exercise demonstrates the relative needlessness of trying to pigeonhole Ireland into any one category ahead of another – indeed, into any one theory ahead of another – it proves to be a useful prism through which to view its experiences.18
In addition, by way of illustration of the uses of available political science theories, it might be pointed out that Immanuel Wallerstein perceives that there are two main sets of semiperipheral government policies which are utilised in times of global economic downturn that often lead to a worsening of a particular economic situation rather than to its intended alleviation. First of all, he offers the logical view that: "Protectionist" measures can turn out to be merely obstacles whose very existence encourages the multinationals to determine new ways of hurdling them'. Significantly for this case study, Fianna Fáil, on resuming power in 1957, endeavoured upon a rather dramatic turn-around in its policy towards multinationals, reversing its position from opposition to support. This policy switch was a strong indication that economic reality was beginning to bite into Irish nationalist dogma.

Secondly, Immanuel Wallerstein has also stated that: "Import substitution" may simply involve substituting one kind of import dependence for another, thereby creating an even worse "technological dependence". In truth, this consideration – which is evidenced by an investigation into the composition of imports in the next chapter From the OEEC to EFTA, 1957 to 1959 – clearly applies in the Irish case. Notably, this statement can also be extended to discussing Ireland's peculiar export dependency, in turn leading this analysis to question profoundly the perspicacity of the economic choices pursued, as this policy continues beyond the period of this study. What were the benefits of swopping economic reliance from any one area to another, that is from the UK to Europe? Thus, the concept of Ireland's dependency upon the UK is a theme which understandably recurs throughout this research.

In applying a more liberal model to this Irish case study, a political scientist such as Peter Dicken, author of Global shift: the internationalization of economic activity, would feel more inclined to point out that what he terms as the 'relatively simple pattern' of core and periphery trade structuralisation no longer applies today because, as he says, in the past few decades trade flows have become far more complex than that. However, this model still describes a basic reality, even if it is through an over-simplified process, especially when he talks of this view of the world being divided into a 'tripartite' geographical structure of core, semi-periphery and periphery'. Indeed, Peter Dicken also takes an interesting instance which demonstrates why Ireland is in many ways a good case study to select. When the opportunity arose in 1948, Ireland did not in fact join one of the leading post-war mechanisms – that is the General Agreement on Tariffs and Trade (GATT) – used to stop the
Protectionist policies of the 1930s enduring. Irish governments did not appear to be terribly interested in reducing tariff barriers in particular or, subsequently, in prohibiting trade discrimination in general. Ireland eventually only joined the GATT in 1967. By then it had already been adhered to the International Monetary Fund (IMF) and the World Bank for over a decade, when the country was in fact led by John A. Costello governing a coalition of the main parties in Dáil Éireann (lower house of parliament) other than Fianna Fáil. Thus, Ireland was not necessarily totally outside of the economic and financial mainstream, but, when compared to more established Western norms and structures, it was frequently found to be operating quite differently. It was treading its own peculiar 'tortuous' path; the significance of this statement only becomes readily apparent as the central chapters progress, but it can also be partially explained in the context of other countries' experiences.

Undoubtedly, especially in agricultural terms, it might well have proven possible to compare the relationship between Ireland and the UK with that of Denmark and the UK or New Zealand and the UK. However, a factor which would have had to be taken into account is that these countries related completely differently to the global economy. Indeed, they had divergent political formations and social experiences. Not unlike Ireland though, the Danish economy, while largely dependent upon the UK, was rather underdeveloped and too based on agriculture in the early 1950s. The increasing importance of Sweden and West Germany to Denmark could hardly have been ignored in such a context, however, analogous relations such as Irish ties to the US notwithstanding. Simultaneously, of course, both Ireland and Denmark prospered and suffered from their proximities to more powerful and precocious neighbours, so much so that even if it was not an ideal comparative, there was invariably the point that Denmark did not necessarily need to be. Regardless of arguments for or against comparisons being made between these two countries, it is clear that Denmark was still developing and adapting faster than Ireland to the new world trading conditions; the bald fact that, in the early stages of the period 1957 to 1966, the latter's Gross Domestic Product (GDP) per capita was just under twice that of Ireland could hardly be disregarded. Indeed, by the end of that ten year period, the true extent of the discrepancy between the two countries' economies was evidenced by the fact that the new figure was over twice that original amount. Denmark was quickly becoming integrated economically with other European economies, while Ireland's comparative process of adaptation was much slower; the Danish economy was obviously taking off at a far faster pace. Of course, the different outcomes
for the two economies have had various external and internal factors, some shared, but many differing.\textsuperscript{20}

What about Ireland and New Zealand? To paraphrase a recent assertion regarding the latter's relations with the UK: it is scarcely possible on this globe to be closer to the influence of Britain or the pull of its open markets than Ireland, indeed the pattern of production and trade in this neighbouring country was shaped almost entirely by Britain's own history and development.\textsuperscript{21} An interesting aside, of course, is to place where Ireland came on the UK's list of priorities; in the context of the difficulties that the UK prime minister faced in winning the argument that they should enter the EEC it can be argued that, firstly, he had to convince a sceptical cabinet, closely followed by the Conservative party themselves, then he would also have to persuade the Commonwealth and, in turn, EFTA; Ireland would be very low on that list.\textsuperscript{22} New Zealand contrasts with Ireland as much as, if not more so than, it may be said to have been in common. Its provision of wool, lamb and mutton, as well as butter, to UK markets meant that it actually had a GDP per capita at the end of the 1950s which was higher than that of the UK; even if it was not developed industrially, it was quite the opposite of poor, having 'one of the world's most comprehensive and lavish welfare states', as well as a population two-thirds the size of Ireland's.\textsuperscript{23} Oriented somewhat similarly, New Zealand's economy concentrated on agriculture and was dependent upon the UK; however, it also had considerations such as maintaining its economic position within the framework of the British Commonwealth firmly in mind. Ireland was searching for another solution altogether.

Rather than choosing Denmark or New Zealand as a comparative case study, it has proven to be more relevant to note that Faysal Yachir – author of an interesting article entitled 'The future of Southern Europe: Canada or Puerto Rico?' – posed a question in relation to the Mediterranean countries that can as easily be applied to Ireland in the present as in the past. It further demonstrates that including a detailed comparative case study was of little relevance in an investigation centred on Ireland's own peculiar historical situation. The use of numerous reference points to various countries – different or similar to Ireland – was more profitable than comparing it to just one country and, in the end, threw added light onto the central study. What Faysal Yachir's examination actually does is to make the point that the EEC offered Southern European nations, and by extension countries like Ireland, the chance:

... to be part, even be it as a poor relative, of a metropole of the world
economy. Between dependence alone and dependence as part of a
dynamic and powerful grouping, the choice has certainly been made
easier by the desire to strengthen the newly acquired democracy and by
the cultural proximity to northern Europe ... [and has] perhaps also been
guided by the hope of a greater prosperity.24

This prospect of economic betterment is literally what guided Ireland; it has
not historically had the same type of relationship with the UK that either of
the polar opposites Canada or Puerto Rico have had with the US, its own
peculiar experiences putting it somewhere between the two. What is clear is
that modern Irish industrialisation only really dates from the 1960s. 'The
Republic of Ireland ranks', according to Liam Kennedy, 'among the late
industrialising countries of the European periphery and the Third World';
what is important about it is that Ireland is a 'particular instance of
economic transformation in a peripheral region'.25

Irish fealty for the concept of European integration?26

Ireland's commitment to the European concept is well known, but the path
which the country took in the years after the Second World War has been
too well trodden by previous analyses for it to be taken up again in any
depth here. Nonetheless, a brief assessment of the principal developments
serves as an introduction to the substantive issue at hand. Just how
enthusiastic was Ireland for European integration? Although it was not
allowed to join the United Nations (UN) immediately after the war's
conclusion – indeed, it only eventually entered towards the end of 1955 –
Ireland took part in the Economic Commission for Europe which was based
at Geneva in Switzerland, although only in a non-voting capacity. This was
the first step that it would take on the road to European unity, a concept
which was new for Ireland and one which fell on 'virgin soil' that was
waiting to be cultivated. As Miriam Hederman says:

It would not have the historical pull such ideas exercised on the
'mainland', neither would it appear as a particular threat. Its appeal ... was
as a means of getting out of the straight-jacket of British-Irish
preoccupations ... [from] a relationship which ... had become stifling.27

Set up as a regional commission of the UN Economic and Social Council
on 28 March 1947, this initial grouping was intended:
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... [to] initiate and participate in measures for facilitating concerted action for the economic reconstruction of Europe, for raising the level of European countries, both among themselves and with other countries of the world.²⁸

As a pan-European institution, its regular meetings offered Ireland an additional 'escape-route' away from post-war isolationism, just as the wider world had traditionally offered Ireland an avenue away from religious intolerance or economic strife.²⁹

Over the next number of years, the 'road to Europe' would, starting with the European Congress of The Hague attended by Irish delegates in 1948, see the creation of a variety of European institutions such as the Council of Europe, the European Court of Human Rights, the ECSC, Euratom, and the EEC. As John A. Murphy has written:

In these post-war years, the country was beginning to learn the first faint lesson that her destiny might have to be worked out in a European context as well as in an Anglo-Irish one.³⁰

A haphazard pattern of representation, both at the European and at a global level, continued to symbolise Ireland's attempts at broadening its international outlook.³¹ Domestic political parties would leave their own individual imprint on how the country was perceived abroad. Beginning with the Fianna Fáil government in 1947, via a policy subsequently carried through by the Inter-Party coalition government of 1948 to 1951, the country also participated fairly enthusiastically in the European Recovery Programme (ERP) – more commonly known as the Marshall Plan – sponsored by the US government. The European participants in ERP initially met in Paris on 12 July 1947 and set up the Committee for European Economic Cooperation. The then Irish industry & commerce minister, Lemass, 'remarked that Ireland would be very glad to participate in the work of the conference, which was seen as "essential" to improving the economies of Europe'. At a later meeting in Paris on 22 September 1947, de Valera:

... warmly welcomed the initiative of a 'friend', the US, in instigating this European self-help programme, enabling all the participants to 'provide for their own needs and preserve their traditional civilisation'.³²

Ireland, in cohorts with its fellow Europeans in the OEEC, had the opportunity 'to organise and to develop their recovery together'.³³ It
remained to be seen if the government could avoid controversy and get on with the task at hand, while edging closer to Europe; at any rate, the receipt of $150 million in grants and loans by 1950 facilitated Irish adherence.\textsuperscript{34} The funds received were administered by the OEEC of which Ireland was a founder member. In brief, the ERP advocated European cooperation on three different levels:

- economic – the OEEC was principally charged with implementing the financial aspects of the Marshall Plan;
- political – the Council of Europe was organised to provide an official forum where European integration could be promoted;
- military – NATO guaranteed the security of countries that were situated on the North Atlantic seaboard.\textsuperscript{35}

It can be argued that the ERP had a beneficial and long-lasting effect upon Western Europe, especially as it appears to have profoundly affected Ireland in the process essentially as it 'indicated a shift in emphasis away from the diaspora to Europe ... a triumph of geography over history'.\textsuperscript{36} Washington's foreign policy promoted this change, feeling that the 'future of the country was clearly going to be within the framework of closer European integration, rather than in some kind of undefined Anglo-centric or Catholic-oriented world'.\textsuperscript{37} Although its precipitous parting from the British Commonwealth on 1 September 1948 may not have been interpreted subsequently as the most clever of economic or political moves, it did mean that Ireland was going to have to look elsewhere for inspiration and sustenance; thus, Europe's pull-factor was growing, as much out of necessity as out of desire.

On 5 May 1949, Ireland became a Council of Europe founder member, a political arena which allowed for open debate and the exchange of ideas by bringing 'together all European parliamentary democracies'.\textsuperscript{38} With European unity as its goal and the protection of human rights a priority, the Council of Europe subsequently acted as a direct link to later institutional developments such as the European Parliament through its embodiment and promotion of democratic European unity. Ireland – its foreign minister, Seán MacBride, in particular – had 'seized on the opportunity afforded by membership of the OEEC and the Council of Europe to establish links outside the English-speaking and Irish ethnic world'.\textsuperscript{39} In Dáil Éireann, soon after the formation of the Inter-Party government, MacBride was moved to say:

\begin{quote}
I referred to it ["United States of Europe"] not to suggest that it was a
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practical possibility at the moment, but to convey to the House that it was one of the plans that are being discussed in Europe at present, not by Governments but by Parliaments in Europe independently of Governments. We here should try to keep abreast of political developments in the international sphere ... we should know what things are being discussed by them and ... think out our attitude in advance. We should not wait until a fait accompli is presented to us.40

He reaffirmed that Irish 'sympathies' were with Western Europe because of the country's belief in democracy and its firm attachment to the 'principles of Christianity'. Ireland could not remain insulated from global affairs – 'isolationism' had indeed become 'impossible' – so it was better to work within the context of this new reality.41

One year later, on 13 July 1949, MacBride again spoke in Dáil Éireann about these new advances in Western Europe politics, although he noted the 'number and multiplicity of international organisations'. The issue of Irish delegates in the Council of Europe's Assembly in Strasbourg was divided according to their representation in the national parliament, even if the foreign minister stressed the importance of these representatives then working together and appearing to work together. MacBride was pleased to announce that Ireland's financial contribution to this organisation was based upon population, while the number of delegates was weighted in such a way that small countries were over-represented.42 As the Minister for External Affairs, he was not averse to making more sensible statements as well regarding the European developments which would impinge upon Ireland. Indeed, he even encouraged the new parliamentarians at the Council of Europe to empower themselves; he said:

... the members of the Assembly themselves will take things into their own hands ... That may be bad for the Foreign Ministers concerned, but it may be quite good for the development of the idea of European federation.43

Other than MacBride, who served as an OEEC vice-president from February 1950, however, there did not appear to be much enthusiasm for the work of the Council of Europe amongst Irish political leaders, especially when the partition issue did not attract the kind of attention in that forum which they felt that it deserved.44

Several interventions from Irish delegates – such as de Valera, the Fianna Fáil deputy Seán MacEntee, or the Labour party leader William Norton – degenerated into acrimonious denunciations of partition no matter what the subject was at hand. If Ireland was not going to receive
satisfactory European support for ending partition, it was not going to pay anything more than lip-service to an idealised vision of a federal European superstate which they did not necessarily support. Irish politicians, particularly crucial figures such as de Valera, did not consider European unity to be an end in itself, but only as a means to an end. Indeed, his own views on integration were gradualist, if not minimalistic. As Miriam Hederman has said: 'the end he [de Valera] envisaged was the cultural, social and economic progress, in a gradual way, of all the peoples of Europe'.45 Conor Cruise O'Brien has been scathing of contributions such as these emanating from Irish politicians; he has written:

Our Parliamentary delegates to the Council of Europe seemed to devote their time to making speeches about partition; speeches which were designed to be read at home, but which unfortunately had to be listened to abroad.46

More progressive views emanated from Ireland too, but they tended to be in the minority.

In a meeting on 11 April 1949 with Dean Acheson, the US secretary of state, the Irish foreign minister encouraged the US to bolster European economic and political integration. As far as the latter was concerned: 'Europe would thus need even more support, with the promulgation of shared political ideals, as well as demonstrable and demonstrative actions, to counteract the threat of communism'.47 Two years later, on 14 March 1951, he addressed a gathering of American journalists on a wide variety of subjects including the Council of Europe and the OEEC, stating 'that Ireland continued to endorse the wider concept of a united Europe, both through greater trade liberalisation and through the establishment of a European parliamentary system'.48 On 1 October 1953, this theme was expanded on when Lemass addressed a similar audience; he said that 'far from wanting to exclude itself, Ireland had been actively seeking to play a role in the international arena ... He stated that Ireland's participation in the Council of Europe and the OEEC was further evidence of this desire'.49 However, Ireland's innate enthusiasm for the economic, social and political aspects of the ERP was not mirrored by a similar attitude to military matters.

Just as it was positing itself firmly into the Western world, Ireland, although fervently anti-communist, decided not to participate in any European defence mechanisms. The stated view of the Dublin government was that it could not participate in military alliances, firstly because of Ireland's inherent attachment to a policy of neutrality and, secondly, as a
result of the more practical matter that resulting military cooperation with Great Britain would entail a full political recognition of its territorial integrity thus contradicting Bunreacht na hÉireann (Irish constitution of 1937). Therefore, Ireland's partitioning would have been cemented. The fact that moves towards European integration were aimed at the rebuilding of war-torn economies and the avoidance of future conflict does not appear to have been motive enough for the Irish government to change its policies.

Ireland did not sign the Brussels Treaty of 17 March 1948, in which five European powers – Belgium, France, Great Britain, Luxembourg, and the Netherlands – together 'agreed to establish a common defense system and to consult on economic and cultural matters', in what was essentially a cooperative agreement, or the Western European Union (WEU) which was later to devolve from it following an abortive attempt at a European Defence Community (EDC). Indeed, four Irish members of the Consultative Assembly of the Council of Europe had voted against the 'Schuman Plan' of August 1950 which recommended the creation of a single, integrated European Army, despite the EDC idea having the considerable support of the Irish foreign minister. MacBride, then President of the Council of Foreign Ministers, was not at one with his fellow countrymen, even those belonging to parties which were in the coalition government of which he was a senior member. In truth, the EDC did not even attract serious debate in Ireland, which partly explains why the government was making such a mess of its participation in a much more serious military proposition.

Ireland did not choose to participate in the North Atlantic Treaty Organisation (NATO) of 4 April 1949 either, an expanded military alliance which also included the US and Canada, as it guaranteed to protect its members sovereignty from outside military aggression. The government was not prepared to accept the inviolability of the border with Northern Ireland, but in so doing was not part of the European mainstream, in the process eschewing the geographical, ideological and political reasons that said Ireland should be in NATO. The feeling that partition was a serious anomaly within Western Europe was not one which was shared by many people outside of Ireland's borders; observers of Irish politics had moved on and had become bored with the question. Indeed, when Marshall Aid was politicised by the US government to take in a security dimension in the early 1950s, 'Ireland was the only ERP country which was unwilling to heed this remodelling and, therefore, was suspended from the programme'. Despite taking some positive steps on emerging from its war-time isolationism – such as the fact that it was the first country to accept the
jurisdiction of the European Court of Human Rights by signing the convention on 4 February 1950, though this move was partly undertaken 'to press for changes in the conditions of the Catholic minority in Northern Ireland' – more substantial integration developments began to pass Ireland by.\(^{55}\)

Just as the government was able to sign up immediately to the European Payments Union (EPU) – an organisation established by the OEEC and the US wing of the ERP, the Economic Cooperation Administration (ECA), in 1950 – the ECSC was instituted without its participation and indeed with little interest shown by Ireland; as Peter Sutherland has written:

> From the outset there was less than adequate interest in European integration in Irish political circles. Thus the reaction to the Coal and Steel Community, the Treaty for which was signed in April 1951, was one of almost total lack of interest, and such interest as there was seems often to have missed the point ... After all the fundamental intent as expressed in the Preamble was 'to lay foundations for institutions which would give direction to a destiny henceforth to be shared'. Notwithstanding the fact that coal and steel were of limited direct economic interest here a greater concern might have been expected for an event which presaged a developing European Union.\(^{56}\)

Ireland had missed the larger political picture, the reasons for and implications of European integration. Similarly, a European Defence Community (EDC) was debated – and rejected by the French National Assembly in August 1954 – without attracting much Irish interest; the same would happen when the ECSC Six met at Messina to consider the future of integration in June 1955. Although the UK followed those proceedings and the work of the subsequent committee headed by the Belgian federalist, Paul-Henri Spaak, they were only interested in trying to channel the discussions along 'lines amenable to themselves'. The recommendation of the Spaak committee that a common market was the next logical step thus proved to be anathema to London.\(^{57}\)

Ireland did not appear to have readily understood the implications either, even when substantial progress was made by the Spaak committee by the time that the Six met less than a year later at Venice. A distinctive pattern had been set, Irish politicians generally exhibiting certain limitations in looking beyond the opinions of their UK counterparts; they really did not show an understanding of what was happening in European economic or political terms. This might not have mattered so much except
that Europe looked beyond Ireland's ability to read London's intentions and thought processes to its own capacity to be an integral part of the European experiment; it may have had a 'much closer historical experience of the British' than most other European states, but this could just as easily be interpreted as a disadvantage as much as it was an advantage.58

De Valera's considerable shadow

Irish governments did not show any signs of real enthusiasm for European integration in the early 1950s beyond the usual platitudes. Even in rhetoric, the substance of national interest weighed heavily. Thus, the Council of Europe was acceptable only because it was no more than an 'instrument of co-operation'. The May 1951 general election saw de Valera back at the helm, this time at the head of a weak minority government. Unable as a consequence to pursue anything resembling adventurous policies, Irish politics began to fester. Mediocrity was the order of the day, innovation in domestic or foreign affairs appeared to be unofficially discouraged as nationalism was preserved from any further dilution. Ireland had earned its individual place on the world stage and the taoiseach was not prepared to sacrifice something so substantial for anything ethereal. Indeed, his role in foreign affairs, even after appointing a separate foreign minister to himself in the post-war years, did not lessen. His views should not be looked at in isolation though, as they were generally shared by those around him.

De Valera did not support the previous government's – read MacBride's – efforts to forge a European party political approach, a position espoused by Ireland's fellow 'continental representatives' in the Council of Europe Assembly. Indeed, he regularly said so; in his view:

They thought they had a Parliament of Europe and that they could immediately divide themselves up into political Parties with the Committee of Ministers acting as a kind of Cabinet of Europe. I felt that was a line upon which we could not proceed, certainly not for a very long time to come.

De Valera reinforced Ireland's categorical position in 1952: 'Membership of the Council of Europe imposes on us no obligation which is inconsistent with our national rights'.59 The pooling of sovereignty was viewed with suspicion, basically because it was felt that it would bear 'particularly
heavily on the small States and to the advantage of the large'. Another thing which was vital to him was the financial cost involved in belonging to such groups; on more than one occasion he held that 'it is important that our means should be strictly taken into account in these international organisation'. Thus, he was not prepared to give up any substantial sovereign control having fought so hard to realise independence in the first place; he was not inclined to be caught for the bill either. Two years later, his opposition went a step further when he dismissed the prospect of Ireland being in any way heavily involved in a 'European Federation'. His fear was that the larger states would protect their own interests and overlook those of the small powers, even if he also stated that:

Close co-operation for specific purposes, such as the ... 'European Coal and Steel Community' ... was quite a different matter ... he believed, in present circumstances, that that was the most fruitful line to pursue.

However, the point was that Ireland had not joined the ECSC. Thus, there was no substance to the taoiseach's claims beyond grandiloquent attachment to a European success story. The formation of the ECSC in 1951 did not attract much publicity in Ireland, because the truth of the matter basically boiled down to the fact that 'neither coal nor steel played any major role in the Irish economy (other than as imports)'.

De Valera's foreign minister, Frank Aiken, was hardly any better. Out of government in 1949, he felt compelled to say that: 'The proposal of a customs union, as I see it ... means in practice the most wholesale and the most rapid uprooting and re-deployment of working populations and capital equipment ever effected'. Indeed, he deplored its possible short and long-term economic and social consequences. This scarcely suggested the vision needed to realise close economic cooperation with Europe, never mind anything mildly approaching economic unity. In government, Fianna Fáil was hardly any better, developments in Europe were 'going a bit too fast for comfort'. A wait-and-see policy was the preferred option, but this only succeeded in instituting inertia. Ireland had two main difficulties with participation in any grouping resembling an FTA. Miriam Hederman has written that:

- '... first was the severe economic hardship already being endured and the danger of adding dramatically to it before there was some specific aid to cushion the blow';
- '... second was the fear of losing the British market before Irish
industry and agriculture had managed to secure a firm footing in European alternatives'.

Ireland was obviously moved by the same selfish motives of national self-interest as any other country. One government official said:

... we are very much interested indeed in the European movement; we wish it well, and anything that will not directly interfere with the progress of our own country we shall be most happy to support.

European politicians, however, viewed Irish reservations – for example, about lower tariffs in a customs union – with scepticism. The potential for Irish agriculture was vast, they insisted. Rather than seeing European integration as a threat, they were advocating the concept as a real and necessary challenge. The Dublin government was not convinced, but in doing so was demonstrating its lack of vision beyond the UK for its economic needs.65

Ireland was thus involved, though not particularly enthusiastically, in the opening of OEEC negotiations for the setting up of a pan-European FTA in the mid-1950s. Even so, this organisation was having a 'chastening and exhilarating' influence upon the Irish economy. F.S.L.Lyons, writing in his Ireland since the Famine, has explained:

Chastening because, as the early OEEC reports on Ireland made icily clear, standards of productivity and efficiency were among the lowest in Europe, but exhilarating ... because the links with Europe, and even the opprobrious reports themselves, brought with them the possibility of change and improvement, opening the way for the genuine and sustained advance that came at the end of the 1950s.66

Notwithstanding the various conflicting attitudes prevailing within each of the participating countries, the Irish government was itself riven by polarised viewpoints – limited not only to the cabinet – which emerged within the individual government departments themselves. The bizarre situation existed in 1957 and thereafter in which, on the one hand, the Irish industry & commerce minister, Seán Lemass, found himself in general agreement with T.K.Whitaker, the Department of Finance secretary, regarding the future direction of the economy; because, on the other hand, these views were in direct opposition to those held by J.C.B.MacCarthy, the Department of Industry & Commerce secretary, and Seán MacEntee and then James Ryan, successive Irish finance ministers. These conflicting
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and ultimately damaging departmental divisions were only symptomatic of wider deficiencies in the government's economic policy. Indeed, as a direct consequence, Ireland's approach to the whole FTA issue was permanently confused and lacking in coherence throughout this early period.

In truth, the unhelpful identification at the outset of the negotiations process of Ireland as a peripheral nation needing special treatment gave the country a tag that it was not to lose easily and helps to explain why certain countries were, as a result, adamant in not wanting its participation in such an organisation, especially until an initial agreement had been reached by the more enthusiastic or, at least, less-demanding nations. Therefore, after the OEEC negotiations for an FTA themselves collapsed towards the end of 1958, the Seven got on with the process of forming a smaller FTA of their own for the freer flow of industrial products. Ireland – which had been more interested in the question of agriculture anyway by favouring a single European market for farming produce that dated as far back as the 'Mansholt Plan' of November 1950 – was thus excluded.67 F.S.L.Lyons has shown that agriculture was the key for the Irish economy in stating that:

Because of her small internal market and her lack of fuels and raw materials, Ireland could not achieve Western European living standards without selling abroad. For her, to sell abroad meant in effect to sell her agricultural produce. In the last resort everything depended upon that. And it was in this sector that the government made its most determined efforts at stimulation.68

Dublin did not learn the important lesson proffered on this occasion regarding the setting up and running of international trade organisations; it would continue not to do so for some time. An analysis of Ireland's role in the FTA negotiations, dealt with in the second chapter of this text, moves on to detail the other preoccupations of the government in the summer of 1959 which, pivotally for politicians of all hues, always seems to take precedence ahead of all else, domestic politics and the possibilities of exercising power. Even if at first it appears to be a paradoxical argument, a presidential election, a referendum on proportional representation and a change of taoiseach only combined to distract attention away from the actual governing of the country, with repercussions both at home and abroad.

As the Irish government readily admits today, the attractions of a 'large economic area in which goods, services, people and capital can move freely', as established through the EEC, was a different proposition
altogether to the ECSC. Problems would arise though, of course, when Ireland's commitment to European integration was tested more thoroughly by its counterparts. Dublin did not yet appear to appreciate that the EEC was not just an economic development. The German chancellor, Konrad Adenauer, agreed with the French government's view that there was a vast potential for political development as well, especially efforts aimed at consolidating Europe's prevailing peace. In recalling the achievements of European integration on the fortieth anniversary of the Treaties of Rome, the Economist stated that it was important to do so 'because they are too often taken for granted'. It added:

The European Economic Community ... helped to keep the peace in Europe, by making it even more unthinkable that Germany and France, the adversaries of 1870, 1914 and 1939, would ever go to war again ... tying West Germany firmly to a liberal, westward-looking European block ... it was invaluable in encouraging democracy ...

For politicians in the late 1950s and early 1960s, the political dimensions of European integration would have to be kept in mind. They could not leave the economic benefits of membership blind them to the wider implications of this development or they would be rudely awakened. Ireland was always going to profit handsomely from Europe in comparative terms as it was 'both very poor and very agricultural'; but, was it prepared to pay the price?

The political landscape and how it pertained to Europe: Part I

Ireland, the US State Department recently declared, is a 'parliamentary democracy with a long tradition of orderly transfer of power'. In the first decade and a half after the end of the Second World War, this was evidenced by successive changes in government, in 1948 and every three years thereafter until 1957. As the US State Department has pointed out: 'Irish politics remain dominated by the two political parties that grew out of Ireland's bitter 1922-23 civil war'. Having been in power for sixteen years, de Valera lost Dáil Éireann's support following the general election of 1948 and was replaced as taoiseach by Costello, heading up a Fine Gael led Inter-Party coalition government. A decade of relative political instability ensued as governments came and went with alarming regularity. This situation was reflected in the economic inertia which prevailed, as short-term expediency took the place of long-term planning. In 1957, this situation changed when Fianna Fáil won a stable workable majority for the
first time since 1944. It was completely aware of how Europe pertained to Ireland because the Irish civil service had produced a memorandum – subsequently approved by the previous government on 18 January 1957 – which, as Peter Sutherland has stated, 'commented prophetically that if Ireland should decide to remain outside the free trade area she would be outside the mainstream of Western European development'. It was from this point in time that Fianna Fáil was able to reestablish the kind of hegemony that it had enjoyed in the pre-war and wartime periods; in addition, however, European integration was now a very serious factor. Nevertheless, a lack of voter confidence in the ability of all the political parties to carry out their wishes for an economic upturn meant that the turnout in the 1957 and 1961 Irish general elections was well below the average turnout for the rest of the first two post-war decades, with average figures of 70.3% and 74.5% respectively.

In turning to the electoral performances of the various constitutional parties in Ireland in the period under review, it is interesting to note their positions briefly on the integration issue, even if it was Fianna Fáil which exercised power throughout this period and well beyond. European economic developments did not have a significant impact upon Irish election campaigns or results; as always, these were determined by more provincial considerations. Fine Gael and the Labour party, the two most important opposition parties, together comprised between one third and a half of the available parliamentary seats at this point in time. However, diverging views on Ireland's role in the integration process only led to a confusion in the opposition's overall tactics; the smaller parties were either too narrowly focused or internally split to cause Fianna Fáil overly-significant electoral problems or to pose difficulties for them with regard to European integration. Thus, in the period 1957 to 1961, Fianna Fáil maximised the use of their absolute majority in the Dáil, easily facing down any opposition that was mustered.

It was thus left to Fianna Fáil on its own to determine the direction that Ireland took throughout this period and the policies that the country would pursue. Fianna Fáil's position as the 'country's largest and most successful political party' was achieved by de Valera, its founder, in the process quickly creating a mass party akin to, what it would like to see itself as, a national movement. Its core support, which transcends the classical left/right divide, has been based on the participation and voting power of small farmers, businessmen and the urban working class, the 'plain people' of Ireland. From 1957 onwards, Lemass embarked upon an economic odyssey in order to modernise the country and to adapt it to the
new economic realities, a total contradiction to the enduring protectionist policies of high tariff walls and the exclusion of foreign capital, while supporting state backing of small-scale agriculture, that he had himself enshrined and masterminded in the 1930s. As one commentary puts it:

The great turning-point of the past half-century of Irish history came at the end of the 1950s. That was when the country abandoned the autarchic social conservatism of Eamon De Valera (who had led the country's struggle for independence) and, under its new leader, Sean Lemass, opened its economy, its society and its politics to the modern world.

Inward investment backing the new industrial development strategy was rapidly followed by foreign funding as the economy began to take off quite quickly. The choices for economic reformation were taken by Dublin, with a shift to outward-oriented economic policies and the establishment of subsidiaries by foreign multinationals from Europe, the UK and the US.81 Nevertheless, Fianna Fáil would have to go through an awful amount of internal party soul searching before the benefits of European integration were seen to outweigh the drawbacks. It would also do so in the context of failing to reach an appropriate economic settlement with the UK in its 1960 Anglo-Irish trade agreement, finally realising that it would have to look beyond the UK, while never forgetting its importance, in constructing an economic future.

**Economic nationalism in a small European state**

In 1910, long before Ireland became an independent state, Tom Kettle, the poet and economist who later died on the battlefields that rent Europe apart – not once but twice in a generation – realised the potential that the European continent held for a nascent nation:

... if this generation has, for its first task, the recovery of the old Ireland, it has, for its second, the discovery of the new Europe ... My only counsel to Ireland is that in order to become deeply Irish, she must become European.82

When Lemass took over as taoiseach half a century later, the inherent contradiction between his party's economic nationalism and the fact that he was governing a small European state at the end of the 1950s could no longer be dismissed away. Certain choices might be made, but others were
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going to be forced upon them; it was a case of making the best of the given economic situation or remaining implacable until defeated. Ireland had to look to the future, while building upon its past; but, what did this tradition and heritage it had mean?

Writing in *The politics of European integration in the twentieth century*, David Arter refers to three main elements that were present in economic nationalism during the inter-war years. He lists these components, each of which will be dealt with in turn, as follows:

- 'the subordination of the economy and its deployment in the realization of nationalist political goals';
- 'the propensity (rhetorically at least) to seek to organize the economy around the economic heart of the nation, in most cases meaning the peasants';
- that it 'was characterized by an insular and introverted orientation which was essentially antithetical to regional integration'.

Of course, there is the issue of the part played by economic nationalism in larger European nations – such as France under Charles de Gaulle – as well, but this emerges later when the European motives regarding the UK are referred to in some detail; just for now, however, the question becomes: how can each of these elements be applied to Ireland's position within the context of Europe and be of use as historical background?

Firstly, when the author speaks of economic nationalism making the economy and its categorisation a secondary consideration in the pursuit of 'nationalist political goals', what he actually suggests is that this 'meant the zealous protection of any newly-won independence and sovereignty and the related concern to avoid economic dependence on the former Imperial power'. With specific regard to the Irish case, he is thus able to declare that:

... a fundamental premise of economic nationalism was the aim of self-sufficiency or autarky ... at its inception in 1926, one of the basic objectives of Fianna Fáil's *coru* (constitution) was to make Ireland ... economically self-sufficient, consonant indeed with ... Eamon De Valera's vision of 'a frugal Gaelic Ireland, gnawed at as little as possible by the worm of civilization, especially the British, and in which there were to be no rich and no poor, but many small farmers and small industries scattered over the country'.

Thus, an argument can be made in support of the idea that subsistence was a good thing and that it was deeply ingrained in the Irish psyche. Indeed,
the protectionist policies that were being pursued by the government were viewed as positive factors in the economy, as it was felt that they only brought the realisation of this goal of self-sufficiency closer.

Secondly, David Arter moves on to state that there was a penchant, real and rhetorical, to try to order the financial workings of the state around the 'economic heart of the nation', in Ireland's case meaning those living in rural areas, especially small farmers. Although it was delivered during the course of the 'Emergency' – the government's innocuous looking terminology for the Second World War – one oration in particular by de Valera presented his indefatigable vision of a Gaelic Ireland for a Gaelic people, in the process revealing where he felt the future lay. In his radio broadcast of 17 March 1943, the taoiseach expounded upon his dream of an 'ideal Ireland', addressing the country with a proclamation. He said:

That Ireland which we dreamed of would be the home of a people who valued material wealth only as a basis of right living, of a people who were satisfied with frugal comfort and devoted their leisure to the things of the spirit – a land whose countryside would be bright with cosy homesteads, whose fields and villages would be joyous with the sounds of industry, with the romping of sturdy children, the contests of athletic youths and the laughter of comely maidens, whose firesides would be forums for the wisdom of serene old age. It would, in a word, be the home of a people living the life that God desires that man should live.

De Valera's vision contrasted with the reality, one in which poverty was widespread, disease such as tuberculosis rampant, and despair enshrined. However, it was also the dogma that dominated the Irish political landscape well into the late 1950s and cannot just be dismissed in the light of subsequent developments and difficulties.

Thirdly, the author asserts that economic nationalism was distinguished by an 'insular and introverted orientation' which was basically antagonistic towards the concept of regional integration, agreeing with the view that it was not until 1960, after years of recession, that:

... Fianna Fail 'finally lifted the "green curtain" in favour of greater economic links with the outside world' and, by extension, recognized the failure of its blueprint for autarky.

In the meantime, however, over a decade had been lost, time in which countries like Denmark had made remarkable progress. Ireland's idiosyncratic economic nationalism helped to shape a distinctive foreign
economic outlook for fifty years after its formation, years in which other states had initially pursued similar protectionist policies, although afterwards they learnt the valuable lesson that cooperation was more beneficial and thus introduced dynamic changes. Ireland still looked at itself in the context of the UK. Irish nationalism had not allowed it to develop beyond that, but Europe would offer it that opportunity.

As Irish 'ambivalence and ambiguity' endured for some time to come; perpetuated in everything associated with it, it also became characteristic and self-defining – in diplomatic relations, economics, military neutrality, politics, society and, indeed, in its very peculiarity. In supporting this viewpoint, Nina Witoszek cites a convincing argument regarding Ireland's recent history which actually holds that 'Irish nationalism has failed and, indeed, has been long relinquished at an official level'. As evidence of this conviction, she has written that:

As early as 1966 Conor Cruise O'Brien charged that there was 'no cause for self-congratulation' since the two major national objectives – reintegration of the national territory and restoration of the Irish language – had been quietly abandoned.87

The government's endorsement of a European integration policy from the early 1960s was a vital part of that process, even if this decision had as much to do with the failure of Fianna Fáil's economic nationalism as much as anything else. In taking an economic rather than a political course, many fundamentals in Ireland shifted, but many things also stayed the same. Nonetheless, there was no denying the speed of accepted change when the end of Lemass's premiership was compared to the beginning of de Valera's final turn at the helm.

A process that began in part with Ireland's application to join the EEC in July 1961 resulted in the 'tiger economy' of more contemporary times. Indeed, it has been argued that Ireland's newly assimilated identity from this period 'had to resonate with the assumptions, needs, longings and interests of ordinary people', which is what the government banked upon. In fact, through the utilisation of the Irish people in what has been identified as a 'community mobilized in the pursuit of a collective interest', supporting the modernisation of the economy by joining the European integration process, the Irish government continued to use nationalist rhetoric in order to embolden the country's sense of identity. Nevertheless, in comparing the present to the past, Nina Witoszek goes on to say in further commentary that:
The reality of the contemporary situation in Ireland is one of economic and ideological crisis as socio-economic disparities widen, emigration persists, and unemployment seems as intractable as ever. Nationalist ideology in the North and its relics in the South are seen, at official level, as an embarrassment to the modernizing project. The history taught in schools, official ideology, and the discourse of the media have in the past thirty years promoted a liberal, secular humanism as opposed to the parochial and conservative values of traditional Irish society.  

Ireland has been transformed as a result of the modernising process that was exemplified by its official approval of European integration and by its earliest and persistent endeavours to participate in the EEC, but only in certain instances for the better.

In truth, the annual jingoistic celebration of the 1916 Easter Rising against the British forces, which should have reached its climax upon its 50th anniversary, was allowed to tail away instead, embarrassedly marked in a false and fabricated manner that was meant to pass off as unassuming. Writing in 1916, V.I. Lenin hoped that the Irish rebellion, which signified an enlightened attempt by a band of revolutionaries of all hues to attain self-determination, was 'more significant politically' because it took place in Europe; half a century later, the Irish government was doing its best to engender a domestic boom to take advantage of the corresponding economic revitalisation of the Western world, reflecting a revolution in the creation of Irish foreign policy and its enactment. No political doctrine or dogma was going to get in the way of transforming the country, although this did not mean that such changes could not be couched in the language of progressive nationalism. Dating from the late 1950s and early 1960s, Ireland's economic rebirth has obviously had its 'disablements and defects', but these negative considerations are far outweighed by its benefits. The foreign policy orientation of the Irish government changed from being fixated with political purposes to one that was in future going to be dominated by economic dimensions.

It was only during the mid-1950s that services began to overtake agriculture as the nation's most important sectoral employer; indeed, there were still difficulties to come when, for instance, the significance of the industrial sector dipped in 1960. The policies being adopted soon began to realise beneficial effects though. Thus, Ireland was a totally different country back in March 1957 to the one that it was to become by November 1966. Economic nationalism no longer reigned supreme as a stimulus, realism and a degree of imagination had taken its place. It remained to be seen whether that which had been given up would outweigh that which...
might be gained. However, one thing was clear: the role of Irish representatives abroad had changed unambiguously, with 'an increased involvement in diplomacy of home departments in addition to foreign ministries', leading to some interesting power struggles, which only went to prove that 'economic diplomacy' had become the order of the day.92

**Irish foreign policy: from the political to the economic**

Although not a participant itself, Ireland had been substantially damaged by the effects of the Second World War, both in economic and political terms. That it was psychologically scarred more than the combatants themselves is not open to debate because unquestionably it was not. Nevertheless, something more substantial than blind neutrality, unfettered nationalism or even economic dependence, was responsible for Ireland's introversion continuing into peacetime. Using Stanley Hoffmann's thesis, Alan Milward unambiguously asserts in *The European rescue of the nation-state* that:

> ... the evolution of the European Community since 1945 has been an integral part of the reassertion of the nation-state as an organizational concept ... The European Community has been ... an indispensable part of the nation-state's post-war construction.93

Was Ireland any less of a nation state than its European neighbours? An argument such as this would be spurious to make because Irish history made it different to, but no more unique than, any other country; nonetheless, pervasive retardation continued well into the late 1950s, a period historians and political commentators commonly refer to as the 'lost decade'.

At this time, it was very much an underdeveloped nation, with an extremely backward economy which was nearly totally dependent upon agriculture. The predominant market for this produce was, indeed remains, the UK. Although Ireland's relationship with its powerful neighbour was by no stretch of the imagination as dependent as, for example, that of Lesotho upon South Africa, the importance of Anglo-Irish links should not be underestimated. These close bilateral ties, especially in economics terms for Ireland, did not demonstrate a healthy relationship based upon interdependence, but were an example of acute dependence. As has been underscored by Susan Baker in her PhD thesis, *Dependency, ideology and the industrial policy of Fianna Fáil in Ireland, 1958-1972*, Ireland was a 'peripheral economy tied into a relationship of dependence with Great
Additionally, a fundamental part of this attraction to the European integration process was, as Stanley Hoffmann and Robert Keohane have shown, based solely on the EEC's 'initial period of success in lowering trade barriers and establishing common policies for agriculture and a number of other sectors'. This development in Irish foreign policy came as no surprise though to any informed or perceptive commentator at that time. It was both an informed and a logical development.

The economic figures for Irish imports and exports between 1946 and 1969 bear this argument out, while also marking a definitive change of tack by the government. In the ten years following the end of World War Two, Ireland exported 89.2% of its goods to the UK, on average; the corresponding figures for the original six EEC members totalled only 5.5%, however. During the years in which Lemass was in power, these numbers became 72.8% and 8.4% on average respectively and, indeed, reached 69.6% and 11.1% by 1966. Alan Milward has remarked that one of the new markets which opened up to Ireland was West Germany and has written that: 'The Irish government in a series of annual trade agreements with the Federal Republic sought to weaken the monopsonistic position of British official and private purchasers'. Indeed, in an extension of this change in Irish foreign policy orientation away from a political to an economic emphasis – as the search for new markets continued and as the government displayed admirable initiative in directing the economy away from traditional means and methods – Susan Baker remarks upon the economic policy changes of 1958. The publication of *Economic development* and the subsequent introduction of the *Programme for economic expansion* together constituted a radical transformation in the Irish government's economic approach. Ireland had finally embarked upon its own post-war construction.

In point of fact, the logic favouring this argument becomes even more apparent when the percentages of Irish imports from both the UK and the Six are considered as well. From 1954 to 1959, the average figure for imports from the former was 55.9%, though this figure actually dropped to 50.4% in the next five years. It is the statistics from the Six, however, which are the most impressive aspect of such figures. In the five years which followed the Second World War, Ireland imported 6.0% of its needs from the Six; during the 1950s, this percentage averaged 10.4% and had become 14.8% by the 1960s. Furthermore, when one considers that concurrently the volume of trade was increasing rapidly, these simple findings alone go a long way towards explaining the EEC's attraction and economic significance for Ireland and, indeed, the compelling nature of the
policy decisions that were obviously being taken in Dublin. Nevertheless, all of this still meant that Ireland was tied to the UK, to its economic vicissitudes and, indirectly, to the political options it chose. London's failure to exercise economic control over the Six – its determination to implement an FTA in Europe as outlined in its 'Plan G' – or political power in the wider world – exemplified by the Anglo-French debacle at Suez – meant that Ireland was outside the European mainstream, not only through its own mistakes, but also by association. Under Éamon de Valera's conservative leadership, progress was slow and change slower still.

In truth, Lemass's own pragmatism on the European integration issue as Irish industry & commerce minister was really only accentuated on his becoming taoiseach in June 1959, in the process taking a new policy direction that was in marked contrast to his predecessor's unyielding parochialism. This change in the country's economic direction, confirmed by the trade figures, is even more impressive when Ireland's evident intention to ready itself for a rapid lowering of tariff barriers and a freer exchange of goods is considered. Its traditional protectionist policy had not succeeded; Lemass himself finally realised that Ireland could not be 'outside' if all of the European countries with which it was trading were to come together as an economic unit. The nation was still at a crossroads in the late 1950s, its future path had not yet been worked out. However, it was becoming obvious that there was a need to do something radical and to do it fast; innovation in agriculture and industry were particularly needed, as well as recognition of other economic possibilities such as tourism. Ireland was proving to be very slow in learning new lessons and suffered the consequences as a result; what was most wanting in 1957, however, was an overarching plan or process.
Small power and peripheral

Notes

1 Ireland is a part of the geographical British Isles and on the Atlantic fringes of Western Europe. In the context of this text, Northern Ireland is regularly referred to as either a state or country, despite the shortcomings that such definitions present in this particular instance. Between 1922 and 1973, the Northern Irish government basically exercised 'Home Rule' in a kind of provincial self-rule. It controlled every aspect of governmental life that one would expect from an independent and sovereign state, except for jurisdiction over military and foreign affairs. Westminster did not directly control Northern Ireland, the administration at Stormont did. Nevertheless, if its position within the UK was constitutionally guaranteed from 1949, its actual status was different to that of Scotland, Wales or, for that matter, even England. This study regularly uses the terms 'north' or 'northern' in referring to Northern Ireland, much in the same way as it uses 'south' or 'southern' for Ireland. No significance should be attached to such titles and turns of phrase other than the linguistic variety that they offer the text.

2 Hederman, The road to Europe, pp. 11-4 & 16.

3 P.Ginsborg, A history of contemporary Italy (London: Penguin, 1990); P.Ginsborg, L'Italia del tempo presente (Turin: Einaudi, 1998); P.Ginsborg lecture (paper unavailable) entitled 'The complexities of the Italian Christian Democrats' delivered on 16 November 1998 at the IUE. Ireland's experiences in this period were by no means unique in European terms; indeed, comparisons can well be drawn with Italy.

4 Kennedy, Colonialism, religion and nationalism, pp. 177 & 179.

5 Moravcsik, The choice for Europe, p. 5. This question is answered in detail as the central chapters progress.

6 Hederman, The road to Europe, pp. 14-6. It is worth quoting some of Hederman's analysis at length, as she manages to portray Irish ignorance through typical self-effacing humour. She has written:

The prevailing Irish attitude to Europe was nostalgic, warm and idealised. (Europe here must be understood to exclude Great Britain and the USSR; the former because the relationship had been so prolonged and emotional that it was on quite a different footing; the USSR because it was, for the great majority of the Irish people a world apart: communist, vast, terrible and largely unknown). As far as 'greater Europe' was concerned popular views might be summed up as follows: Italy was a friendly country, the Italians sympathetic (though politically misguided perhaps) and Rome, as the seat of the Vatican, assumed to be an ally; France was admired for her culture and flair and commemorated in song and poetry for acts of friendship throughout the centuries that had long since been forgotten by the French (and which were inspired more by the political quarrels of the time than any great love of the wild Irish); Denmark, Holland and Belgium were regarded with some envy as small countries which had made their mark on the world (their strong co-operative movements and flourishing agriculture were constantly used as examples in the Irish countryside); Germany provoked more fear than affection but Austria retained its aura of music and glory and
romance, mainly perhaps because so few Irish had managed to travel there; the Spanish civil war had had repercussions in Irish political life so the picture was probably a little closer to the reality than that of Portugal, for example, which was associated with Our Lady of Fatima, a somewhat unworldly image; Poland was always regarded with great sympathy, the analogy of repression and invasion acting as a bond; Turkey was looked on more as part of Asia Minor than of Europe but Greece floated in the after-glow of a smattering of classical education administered to most boys and a few girls in Irish secondary schools; the countries of Central Europe caused some confusion because of their changing fates but, again, as with Poland, were regarded with sympathy; Switzerland was a land apart, well-ordered, secure, prosperous and aloof.


8 Hederman, The road to Europe, p. 16.


11 Unattributed article, 'Green is good', Economist, 17 May 1997.


14 T. Garvin, 'Wealth, poverty and development: reflections on current discontents', pp. 312-25, in Studies vol. 78 no. 311 1989, passim. The Gross National Product (GNP) figures per capita are given as US$340, US$293, US$224 for Greece, Spain and Portugal respectively in 1957, while the figure for the whole of Italy was US$516; in turn, Belgium, the Netherlands, France and West Germany (FRG) had totals of US$1,196, US$836, US$943, and US$927 respectively, while the figures US$1,057 and US$1,189 were given as the per capita totals for Denmark and the UK.


16 Fianna Fáil internet publication, 'The history of Fianna Fáil by Dr. Martin Mansergh, Head of Research', http://www.iol.ie/finnafail/his.html (8 July 1997). The texts that Martin Mansergh especially refers to are: R. Dunphy, The making of Fianna Fáil power in Ireland, 1923-1946 (Oxford: Clarendon Press, 1995); and
Small power and peripheral  33


18 T.dos Santos, ‘The structure of dependence’, pp. 225-36, in K.T.Fann & D.C.Hodges (eds), _Readings in US imperialism_ (Boston: Porter Sargent, 1971); B.Stallings, _Economic dependency in Africa and Latin America_ (Beverly Hills: Sage, 1972), p. 6. Note that the use of export and import figures are used extensively throughout this text to make exactly this point; at the end of this chapter, in the section headed Irish foreign policy: from the political to the economic, they help to demonstrate the change in trade orientation away from the UK to European markets and sources during the Lemass years, a process which is analysed in depth in Chapter 6, in the section headed Changes in orientation: the evidence of exports and imports.

19 N.Collins & F.McCann, _Irish politics today_ (Manchester: Manchester University Press, 1989), pp. 6-7 (authors’ italics); P.Dicken, _Global shift: the internationalization of economic activity_ (London: Paul Chapman, 1992), pp. 4 & 11 (author's italics). This paragraph draws considerably from the latter's view of core/periphery theory; other authors might be chosen to enhance this opinion but, perhaps, it is best left to the former to expound upon Ireland's relative position in the world economy. They have written that:

The world economy can usefully be divided into three areas: the core, the periphery and semi-periphery ... The semi-periphery group are intermediate in status. These countries are not as dependent as the periphery group. They have a much more diversified economic structure and in them industrialisation is well advanced. To a significant extent industry is locally owned and financed. Wage rates and living standards are higher than in the periphery. Countries often move into the intermediate group through strategies designed to increase their industrial sector substantially. But since these countries do not possess sufficient wealth for such development strategies, they obtain the finance from multinationals. These large international enterprises locate in the semi-periphery because of the relatively high levels of skill in the work-force, developed infrastructure, such as roads and communications, lower wage rates than in the core and financial inducements from government ... This threefold model of the world economy will help us to understand Ireland's current position as a small semi-peripheral capitalist state with a large agricultural sector. The aim of the capitalist state is to provide the conditions for the functioning of an economy which is largely owned by private (non-state) organisations and individuals. In doing this it is constrained by the conditions operating in the international market system.

20 R.Crotty, _Irish agricultural production: its volume and share_ (Cork: Cork University Press, 1966), pp. 68-83 & 166; B.Laffan, ‘Ireland and Denmark in the European Community: political and administrative aspects’, pp. 43-62, in _Administration_ vol. 29 no. 1 1981, pp. 43-6. In the economic sector in which they had most in common – agriculture – Raymond Crotty is able to point to
fundamental differences in their climate, historical development, social structure, and even their topography. Contemporary differences have been noted as well, adding weight to the argument that they are much too dissimilar to be constructively compared in the context of a specific study on Ireland and the EEC. Indeed, as Brigid Laffan has stated:

Ireland and Denmark are 'small states' in terms of size, population and influence capability ... They have open economies, being heavily dependent on external trade and influenced by external economic forces. In 1961, both states applied for membership of the European Community and joined in 1973. This decision was without doubt one of the most important foreign policy decisions taken by either state in the post war period.

In many ways, it was here that the similarities ended because, apart from their relations with the UK, their experiences differed. In her brief comparison, Brigid Laffan has also recounted:

British membership of the Community was the impetus to and precondition of Irish and Danish membership. British attitudes towards European integration and membership of the EEC played an important role in shaping the position adopted by Ireland and Denmark since the 1950s. When in 1956 it became apparent that the six founder member states of the European coal and steel community were preparing to establish an economic community, Britain in an attempt to prevent this proposed instead a west European free trade area under the auspices of the OEEC. Talks on the proposal (Maudling Talks) were held in 1958 ...

During these negotiations, the Danes followed the British rather than the continental line favouring a free trade area. Ireland attended these talks but was not at all enthusiastic about membership of any free trade area feeling that high levels of protectionism were still necessary for her nascent industries. Economic dependence on Britain forced her to attend the talks and consider membership. After the failure of the 'Maudling Talks' the 'outer seven' of which Great Britain was the major state established ... EFTA ... Denmark joined EFTA with the other Scandinavian states. Ireland did not apply for membership. The British government informed the Irish ... that the Association would only include developed economies and that no transitional arrangements would be granted ... The fact that Portugal did join EFTA and was granted concessions did not go unnoticed in Dublin. As agriculture was not to be included in EFTA, this lessened its appeal to the Irish. When British policy towards the EEC altered and she applied for membership in 1961, Ireland and Denmark followed suit. Britain was Denmark's major trading partner in agricultural goods and Ireland's in both agricultural and industrial goods. In 1960, 74 per cent of Ireland's total exports went to the United Kingdom. In Denmark's case, 46 per cent of her agricultural exports went to the UK in that year ... De Gaulle's veto of British membership in 1963 and again in 1967 led to the suspension of the other two applications. The issue of British membership of the Community had to be solved before the other two states could hope to join.
However, the central goal of this text is to record the 'singular' Irish experience in the European context. As a prospective EEC member in the 1960s, Ireland would need special treatment in many areas, including its steel industry, state aid for foreign investment, and its economic development policies. Denmark had political reasons why it wanted and needed the European project to work which were allied to political fears of what integration might ultimately mean; of course, it also needed to join for economic reasons. In Ireland's case, economics were the important consideration; politics did not really enter into the equation and were certainly not a core determinant.

21 A. Milward, 'New Zealand, the United Kingdom and the EEC', p. 1 (draft article). This quotation was originally conceived in regard to New Zealand's relations with the UK; it read: 'It is scarcely possible on this globe to be further away from the influence of Britain or the pull of its open markets than New Zealand, but the pattern of production and trade in that distant country was shaped almost entirely by Britain's own history and development'.


23 Milward, New Zealand, the United Kingdom and the EEC, passim; Robertson & Singleton, 'Britain, the Dominions and the EEC, 1961-1963', passim.


26 This section has made liberal use of a previous dissertation, though mostly for structural purposes, with all quotations specifically referenced; see FitzGerald, Irish-American diplomatic relations, passim.

27 Hederman, The road to Europe, p. 16.


30 J. A. Murphy, Ireland in the twentieth century (Dublin: Gill & Macmillan, 1989), p. 130.

31 An excellent example of how Dublin perceived this development in the postwar period is available in the Irish government publication, European Economic Community (Dublin: Stationery Office, 1961), D/T-S16877L/61, NA. It is fully, and necessarily, assessed in Chapter 3 under the section headed European Economic Community: the government White Paper.

32 FitzGerald, Irish-American diplomatic relations, pp. 16-7. This view utilised Maher, The tortuous path, pp. 23-4. It is worth noting that by this stage Lemass also held the title tanaiste (deputy prime minister), which meant that he had emerged fully as de Valera's official heir apparent.

33 Hederman, The road to Europe, p. 19.


36 Protectionism to liberalisation


39 Hederman, The road to Europe, pp. 19 & 24-5.

40 Hederman, The road to Europe, p. 25; Seán MacBride (foreign minister) speech delivered to Dáil Éireann, 21 July 1948, Dáil debates vol. 112 cols. 1022-3 (original in italics).

41 MacBride speaking in Dáil Éireann, 21 July 1948, Dáil debates vol. 112 col. 1023.

42 MacBride speaking in Dáil Éireann, 13 July 1949, Dáil debates vol. 117, cols. 742 & 744-6.

43 Hederman, The road to Europe, 28; MacBríde speech delivered to Dáil Éireann, 13 July 1949, Dáil debates vol. 117 col. 748.

44 Hederman, The road to Europe, p. 37.

45 Hederman, The road to Europe, pp. 30-1 & 33.


47 FitzGerald, Irish-American diplomatic relations, p. 41. This view was based upon a Dean Acheson (US secretary of state) memorandum, 11 April 1949, 'Memoranda of Conversation', Box #64, Acheson Papers, Harry S.Truman Library, Independence, Missouri (HST).

48 FitzGerald, Irish-American diplomatic relations, p. 49. This view was based on a MacBride speech delivered to the National Press Club in Washington, 14 March 1951, Irish Information Bulletin #43, 'Foreign Affairs File', Box #151, Democratic National Committee, HST.

49 FitzGerald, Irish-American diplomatic relations, p. 99. This view was based on a Lemass speech given to the National Press Club in Washington, 1 October 1953, 'Foreign Affairs File', Box #151, Democratic National Committee, HST.


52 Hederman, The road to Europe, pp. 37-8.

53 Lyons, Ireland since the Famine, p. 591.

54 FitzGerald, Irish-American diplomatic relations, p. 77.


56 P.D.Sutherland, 'Ireland: where do we really stand on European integration?', pp. 243-54, in Studies vol. 78 no. 311, pp. 243-4. This question is dealt with in detail in Chapter 4 under the heading Ireland and the other two European Communities.
... in his younger days, over thirty years ago, he had been an ardent supporter of the idea of a United States of Europe, but that, in recent years, he had become more aware of the magnitude of the difficulties involved. If, for example, Ireland entered into such a Federation her representation in the proposed legislature would probably be so small as to be ineffectual, and matters vital to the Irish people could be easily ignored. Ireland's representation in the Council of Europe was now only 4 out of a total of 132 ... The idea of a complete political Federation of Europe was most attractive, but when one got down to the details it was not easy to find a workable scheme ... The larger states, such as France, Germany, Italy, might in the existing circumstances be willing to join such a Federation, each being confident that they were sufficiently powerful to ensure that matters vital to them would not be overlooked. But it was not so with the smaller States. They would of course have gained the security of the collective strength, but they would have lost the power to choose at will policies required to meet their individual political and economic exigencies. To this extent they would have lost their independence. Was the price too high? That was the critical question in regard to a close federal political union for Europe, such as that of the existing United States of America.
Konrad Adenauer, was interested in something more substantial for the Six initially but, at the same time, wanted a mechanism which would allow for an expansion in membership when the time was right.

73 Much of the basic information in this section has been drawn from M. Gallagher, *Electoral support for Irish political parties, 1927-1973* (London: Sage, 1976), passim. This brief review of the domestic positions of political parties and how that pertained to Europe concentrates on Fianna Fáil and acts as an introduction to the political scene; a review section on how this make-up evolved in subsequent years is presented in Chapter 6; it is headed The political landscape and how it pertained to Europe: Part II.

77 Sutherland, 'Ireland', p. 244.
82 This quotation comes from a speech delivered by Mary McAleese, the Irish president, on the occasion of the 21st Jean Monnet Lecture, entitled 'Europe – the challenges of the new millennium', delivered at the IUE on 9 February 1999, [http://www.iue.it/general/jms.htm](http://www.iue.it/general/jms.htm) (10 February 1999).
85 Arter, *The politics of European integration in the twentieth century*, p. 265; de Valera radio broadcast delivered to the Irish nation, 17 March 1943, entitled 'The Ireland that we dreamed of', pp. 466-9, in Moyihan (ed.), *Speeches and statements*, p. 466.


95 Milward, The European rescue of the nation-state, p. 279. A useful set of documents is also available in the European Community Archives, Villa II Poggiolo, Florence (ACE), that detail trade accords between Ireland and West Germany (FRG) in the early 1950s, specifically tracing the years leading up to the important trade agreement of 1955. 'Irlande/Accord/Commerce/République fédérale d'Allemagne' CEAB 3/193 0-56, Commission des Communautés Européennes Dossiers de la Haute Autorité de la Communauté Européenne du Charbon et de l'Acier vol. 1: 1952-1956, ACE. A more detailed analysis of trade relations between Ireland and the FRG in the years specifically under review is presented in Chapter 4 under the heading Lemass prepares for EEC entry negotiations to begin.


97 Baker, Dependency, ideology and the industrial policy of Fianna Fáil in Ireland, p. 9. The two texts that she refers to were T. K. Whitaker, Economic development (Dublin: Stationery Office, 1958), Department of the Taoiseach (D/T) file S16066B, National Archives, Dublin (NA); Irish government publication, Programme for economic expansion (Dublin: Stationery Office, 1958), D/T-S16066B, NA.

Protectionism to liberalisation