

Erin and the Supermarket



THE SPECTATOR recently did the Irish Republic proud by opening several of its pages to Irish writers, all of whom (apart from Brendan Behan with a story, and John Montague with a poem) contributed lyrical articles on the theme of Ireland's economic renaissance. A renaissance which, founded on a tight programme of protection and subsidies, they now hope to preserve from its inevitable fate by incorporation in what Sean Lemass, the Prime Minister, describes, in his own contribution to the symposium, as the "new and vital European society"—in other words, the E.E.C. Mr. Lemass' enthusiasm even launches him into the fantasy of a re-united Ireland through a process of hanging on to the coat tails of Britain, if and when she is admitted to membership herself.

Mr. Patrick Lynch, in his article "Looking to Europe," describes how his indifferent countrymen had to be whipped out of their customary apathy to appreciate the advantages of joining the E.E.C. The job was done, it seems, by Garret FitzGerald, "the best informed economic commentator and publicist in Ireland," who, through his column in the *Irish Times* and over Irish radio and television, won over Government, Parliament, business and even the trade unions.

What arguments Mr. FitzGerald used in his campaign are not stated in any detail, though it is clear from hints here and there in the *Spectator* articles that he must have laid not a little emphasis on the disastrous consequences to the high-wire act being performed by the Irish economy if she failed to take advantage of this heaven-sent opportunity to get into the European Protectionist Club. Patrick Lynch makes no bones about the situation Ireland would be in if she remained outside the E.E.C., especially if Britain were a member.

"Because the economic interests of the Republic are so closely linked with those of Britain, the logic of facts leads the Republic to follow Britain towards the Common Market. Most Irish exports have unrestricted entry into Britain at present and that right compels the Republic to do whatever Britain does in regard to the Common Market."

But supposing Britain fails to obtain membership of the E.E.C.? "What then should Ireland do?" It might be supposed that, if the economic renaissance was such a success, Ireland could face the prospect of standing on her own feet with equanimity, even confidence. But that

is not how Mr. Lynch sees it. "Common sense, suggests a course which has long been advocated (he doesn't say by whom) — complete economic integration between Ireland and Britain."

In view of the devices by which the glittering facade of the economic renaissance has been built up, he may very well be right. Incorporation of the Republic into the sovereign state of Britain would conceivably relieve a lot of Irishmen of a lot of headaches by the transference of their problems on to the shoulders of the British Government and its Welfare State. Speaking of the "legacy of protection," for instance, Mr. Lynch says that this has meant that "many of the Irish businessmen and trade unionists are not cost-conscious. Small firms created behind protective barriers cannot hope to produce competitively unless they improve their efficiency by integration with other firms, Irish or British."

He also speaks of the "unsolved problem of industrial relations" and, in the accepted jargon of the age, deplures the fact that "nothing in the nature of a national wage policy exists."

Alongside these comments may be read the statement in another article, "The Industrial Development Authority" by Donal O'Donovan, that "Ireland is the only country in Northern Europe with a manpower surplus (more than enough labour to double the scale of Irish industry within ten years)." Anyone familiar with the levels of Irish wages and the numbers of Irish migrants to Britain will need no reminding of the nature of the Irish manpower problem.

Mr. O'Donovan, in an apologia for the Irish Government's New Industrial Policy, begins by quoting sorrowfully these words of Sir Norman Kipping, Director-General of the Federation of British Industries, at the closing session of last year's national convention of the Export Council for Europe:

"The term (export incentives) is variously used to mean export subsidies, or export incentives which are not subsidies — if there is such a thing — or the provision of export facilities which may, or may not be permissible under international agreements . . . It has come out plainly in this convention that Italy and Ireland are engaging in practices which are clearly in breach of international agreements and which naturally arouse bitter hostility from those who are suffering in consequence."

Mr. O'Donovan then explains the nature of these incentives, to show how misplaced Sir Norman Kipping's strictures are:

"The payments crisis of 1956 forced the Irish Government to drastically revise the previous policy of high tariffs and encouragement to native industry. The new policy produced the Industrial Development Authority charged with the task of attracting foreign capital and enterprise artificially directed towards exports." (There was also the Industrial Grants Board and the Industrial Credit Company and the Shannon Free Airport Development Company.) And the incentives? "Outright non-repayable grants and tax concessions" amount, in "the underdeveloped counties on or near the Western seaboard (about half the total area of the country) to the full cost of the factory site and buildings, half the cost of plant and machinery and the cost of training workers." In other areas, "up to two-thirds of the cost of site and buildings and one-third the cost of plant and machinery."

This, however, is only a beginning. "There is complete exemption from taxes on profits derived from goods for export for ten years up to 1975, when a tapering-off period will begin. The tax exemption period for the industrial area at Shannon extends to 1983." The tax in question is currently at the rate of 41 $\frac{2}{3}$ per cent of net profits.

"It would be wrong," says Mr. O'Donovan, "to give the impression that the Government's policy has met with complete success. Some industries have used grants to build and train workers and, a few months later, have packed up and gone home because of defects in the raw materials, bad management or an unwarrantable optimistic view of the market. Others which have stayed have come up against trade union trouble or sociological problems such as bringing an industry requiring mainly female labour to an area in which there was no counterpart to prevent the surplus men from emigrating."

And Mr. O'Donovan's remedies for these difficulties? "More power to the Industrial Development Authority to direct the location of industries" and "new techniques of regional economic planning developed in Italy and France." He also utters, rather forlornly, "the wider hope, but one without which the ultimate prospects seem grim, that membership of the E.E.C. will bring with it a new and less British-biased approach to labour-management relations, especially as they affect foreign firms accustomed to fewer storms on the factory floor and to which government by shop steward is unknown." Unfortunately for Mr. O'Donovan's pious hopes, there seems little likelihood of the clock of industrial relations, which has for so long remained more than a little slow in Ireland, being checked now that it has started to gain. Certainly not if Mr. FitzGerald's dream of "complete integration between Ireland and Britain" comes true.

As for all these dreams, is it too much to hope that, one day, some of the more intelligent dreamers among

the freedom-loving Irish will turn their attention for a moment from such intellectual hashish as Early Irish Poetry and take another look at Irish history. It is just possible that someone's eyes may then be opened to a realisation of what the great freedom-fighters fought and died for: the freeing of Irish soil and Irish men from domination by an outside power. They might then rise and sack the FitzGeralds and the Lynches and the O'Donovans — and the Lemasses while they're about it — and demonstrate to the world how one country can stand on its own feet independent of European, or any other Protectionist racket.

The present site rent of Ireland must be worth at least enough to pay for the basic necessities of government—leaving aside such status symbols of modern economics as Industrial Development Authorities and Shannon Free Airports and the like. They could still run their hospitals on the Irish Sweepstake (£58 million distributed to date) if that's the way Irishmen want it. P.A.G.

Bon Voyage!



PETER MIDDLETON, journalist, broadcaster and Georgeist, who has been in England for the last three

years, leaves with his wife Julie for Australia on August 10. On their way home to Sydney, Mr. & Mrs. Middleton hope to visit Montreal, New York, Chicago, Denver and Los Angeles. After some days in the sun in Fiji, they will go on to New Zealand, staying in Wellington and Wanganui for a while.

While in England, Peter Middleton has been a regular contributor to *Land & Liberty*; a frequent speaker at Week-end Schools and meetings, and an invaluable helper in the activities of the Henry George School and Rating Reform Campaign. In spite of the exacting nature of his own professional work he could always be counted upon for assistance when the occasion arose.

He will be greatly missed in London, but by no means for his contributions to the work of the Movement alone. He has made life-long friends who will count his leaving as a personal loss. He has enriched the lives of all with whom he has come in contact by his warm, gay and stimulating personality.

To him and his wife we wish a happy voyage and the best of success for the future.