

# Myths and Motives of Irish Economic History

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The purpose of this essay is to provide an introductory account of the issues and relevance of Irish economic history of the eighteenth and nineteenth centuries. As such, the two themes of the link with Britain and income distribution shall provide our focus. The extent and emotive nature of their impact on Ireland's economic evolution are such that they provide ample scope for academic interpretation whilst retaining a practical relevance suitable for contemporary applications. The familiar ritual - justifying the exercise - shall form the conclusion.

## The Link with Britain

To understand the nature of Ireland's economic evolution, it is imperative to establish the political economic framework that fashioned the environment. That is not to say that the link with Britain can in each and every case be identified as the ultimate causal agent. I contend that the economic dynamic was fundamentally apolitical in its origins. Yet the transmission of such forces were distorted by the British link, politicising an economic dynamic. In this sense, I propose that it is impossible to reconcile the classical economic approach with the nationalist one. To hijack a metaphor - I am not sitting on the fence; rather I

am opening it to enable passage between what are two essentially compatible interpretations.

Firstly, the acts of 1667 and 1669 (whose effects carried over into the next century) were fundamentally economic. Falling prices in Europe resulted in English west-county interests lobbying Westminster into a protectionist backlash. The banning of Irish livestock and wool exports necessitated a painful restructuring of Irish agriculture. Nationalists correctly identify this as a crucial blow, given that Ireland had been well placed to exploit its competitive advantage. Yet the source of this profound and adverse shock was essentially economic, despite the political transmission and appearance.

Chronology favours the nationalists, however, for in 1801 the Act of Union was passed, introducing an era of free trade. Economic collapse soon followed as the banking system disintegrated and the cottage industries folded in the face of cheaper British imports. A neat conspiracy theory can be formulated on the basis of such a sequence - namely a politically motivated Britain manipulating trade links to destroy the Irish economy and secure its own political - economic dominance, culminating in the cataclysmic 1840's famine. Yet as

Cullen (1972) notes, the economic crisis had its roots in the structural weakness of the Irish economy apparent in the eighteenth century. It would appear that the structural unsoundness of the economy (albeit partially engendered by the 1660's acts) accounted for its collapse around the early nineteenth century. It is worth noting that Scotland, having endured a similar experience, successfully replaced its cottage industries in the face of English competition. This case is instructive as it shows how great the potential benefits were of lying adjacent to the world's economic core - if only the opportunity could be acted upon. Lack of national sovereignty can only partially account for the failure to act - a failure that was essentially economic. Note a qualification - we cannot glibly dismiss the political element. The politicisation of the economic transmission (as opposed to the economic formation) entangled the two, thereby necessitating this fragile reconciliation of two contrasting interpretations.

### Distribution

The key characteristic, that of skewed income distribution, does not allow a resolution of contrasting interpretations as neatly as that of the link with Britain - hence its greater interest. Essentially, the period under review witnessed vast income disparities between landlords (who tended to be Protestant) and the rural proletariat (who tended to be Catholic). At this point the landlord class accompanied the landless labourer into oblivion - being replaced by tenant

Marxist view?

owners with small holdings and an urbanising middle and working class.

The nationalist interpretation has emphasised the restrictions placed on Catholics as the reason for the huge dichotomy in incomes. Dating from the plantations through the penal laws onwards, Catholics were actively discriminated against. Thus, those most tangible of legacies - the impressive eighteenth century architectural monuments, have been cited as manifestations of exploitation. Given that they were largely financed by 'surplus' product from the rural proletariat, such an interpretation is credible. Yet this approach is totally inadequate in explaining the persistence, and indeed widening of income disparities, particularly when one considers the encroaching Catholic autonomy. To correlate unequal income distribution with British rule is not merely simplistic - it is incorrect.

A far more thorough and convincing explanation is contained within the Marxist school of thought. Its explicitly class-based approach is far more in accord with the evidence than the nationalist one. Thus, the rural unrest involved a disaffected rural proletariat clashing with the dominant landowning class. We are not dismissing religion and nationalist differences as incidental; rather we are transferring this significance to a point where they reinforce an extant class conflict which centered on distribution and ownership of the means of production - land. Population pressure exacerbated the commercial classes' failure to secure a dynamic industrial base - hence the mass poverty and

Marxist/Trade Protectionist

emigration of the rural proletariat.

Attempts have been made to reconcile these interpretations, and a case can be made that there exists a substantial overlap between them. Yet alas the similarities are more apparent than real. Marxist rhetoric regarding British Imperialism etc. evokes encouraging nods from nationalists who, eyeing up a potential bedfellow, discount the more incompatible traits - such as the embourgeoisement of the indigenous rural tenant owners at the expense of the landless labourer. Thus, it is futile to attempt to reconcile these two interpretations.

### Why bother?

The last point nicely broaches the question - what's the point of trawling through a distant and remote past? Unlike some historians who spend much of their career justifying their professional existence, we can afford to be more assertive. The first and most frequently cited riposte is that the period 1690-1921 has useful policy applications. The relative merits of free trade and protectionism, for example, can be debated with reference to extant data, though naturally the relevant variables would have altered drastically - thereby complicating the quest for precedents. Similarly, the lengthy time-span offers that rare occurrence - a long run insight, whereby policy makers could place economic cycles in their proper perspective and perhaps learn more about their autonomy. Although these arguments are not fundamentally false, their significance has been much exaggerated. The relevant variables and

the manner in which they interact have changed to a degree that renders the 'lessons' ambiguous. Consider the adverse shocks precipitated by the 1667 and 1669 Acts: do we conclude that we should avoid dependence on particular markets and products; or maybe we should pursue a self-sufficient economy, thereby avoiding the vagaries of trade; or even that the experience has no contemporary value and should be ignored?

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### Conclusion

Given my qualifications about policy relevance, I feel the somewhat more amorphous issue of identity provides the key rationale. Economic history contributes to our collective and individual world views, and hence shapes the nature of our responses to external forces. When confronted with a choice we automatically (if somewhat erratically and subconsciously) draw on inherited knowledge. The deliberate study of economic history makes this inherent process more explicit and coherent than it would otherwise be, thereby increasing our chances of making the right decision.

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### Reference

Cullen, L. (1972) *An Economic History of Ireland since 1660* London: Batsford.