

Reappraising Irish Developmentalism: Editorial

BRYAN FANNING

University College Dublin

PATRICK PAUL WALSH

University College Dublin

On 12 March 2009 the Institute for British-Irish Studies in the School of Politics and International Relations hosted a conference to mark the contribution of Professor Tom Garvin to Social Science, University College Dublin Professor of Politics and former editor of *The Economic and Social Review*. The conference explored some of the themes of Professor Garvin's research by examining the development of Ireland in the latter half of the twentieth century and the early twenty-first century. A number of contributions to the conference were subsequently published as working papers by the Institute for British-Irish Studies (IBIS) at University College Dublin, edited by Professor Jennifer Todd. This special issue draws upon some of these papers. The editors would like to thank Professor Maurice Manning, Professor Jennifer Todd, Professor John Coakley, Professor Loudon Ryan and Dr William Kissane for their support in bringing together this special issue of *The Economic and Social Review*. All the papers benefited from the presentations and comments of participants at the 2009 conference. This issue of *The Economic and Social Review* addresses the nature and extent of social, political, economic and cultural change since the formal beginning of Ireland's developmental trajectory since 1958. Garvin's own critique of Irish developmental modernity, *Preventing the Future: why was Ireland so poor for so long?* (2004) has done much to stimulate a new generation of social science scholarship since the publication in 1958 of the seminal *Economic Development*.

At least three generations of scholarship on Irish developmentalism are now identifiable. The first emerged during and after the deep and prolonged recession of the 1950s. It was dominated by the policymakers and public intellectuals (often the same persons) who advocated economic development and investment in education, the most celebrated being T. K. Whitaker. It can be taken to include their retrospective assessments of the debates and policies they instigated (Whitaker, 1961, 1983). These are contextualised in the first paper in this *ESR* by Joe Durkan. Whitaker had not only authored *Economic Development*, he had pushed it through Cabinet and secured permission for it to be published under his own name (Fanning, 2008, p. 194). *Economic Development* included as an appendix, his December 1957 memorandum to the cabinet proposing the new policy direction (Government of Ireland, 1958, pp. 227-229). In effect the government had not only permitted a civil servant to determine policy but went on to publish the fact to help market that policy to the general public. Whitaker's 'coup' captured the imagination. The resultant *First Programme for Economic Expansion*, in Whitaker's later summary "... changed the direction of policy, co-ordinated the development process and gave a fillip to confidence which, supported by buoyant world conditions, generated an outstanding economic performance in the 1960s" (Whitaker, 1983, p. 8). But Whitaker's achievement as a policymaker cannot be understood, Joe Durkan's paper ("Seán Lemass and the Nadir of Protectionism") explains without reference to a shifting Irish political context and wider international economic conditions.

Economic Development and subsequent policy milestones were preceded by academic debate; the underlying battle of ideas is the focus of a number of the papers in this issue. Academics with close connections to policymakers such as Loudon Ryan, Patrick Lynch and C. F. Carter examined underlying factors that affected economic growth. Whitaker appointed these three academic economic advisors to a Capital Investment Advisory Committee in 1956. In an influential 1953 article, *The Economist and Public Policy*, Lynch had argued for realistic debate stripped of ideological polemic about the necessity for some state activism. Lynch amongst others emphasised the potential contribution of economics (Lynch, 1953, p. 247). In a 1956 article Lynch had argued that bureaucratic organisational forms were slow to adapt, cumbersome and unwieldy (Lynch, 1956, p. 101). In 1959, Carter made the case for technocratic solutions. "Since it is a slow job improving human nature (and Irish nature more than most)," Carter argued, "our first efforts should be devoted to improving this machinery; and since the 'machines' are in fact the minds of men, a great deal of the future of Ireland may depend on the quality and training of those found for key positions." In effect he highlighted the crucial need for human capital expansion. Lynch went on to play a leading role in preparing the seminal *Investment in Education* report that promoted

the expansion of human capital (Government of Ireland, 1965). Ryan played a key role in the ideas behind capital formation (see Ryan, 1961).

A distinct second generation of scholarship emerged in the recession of the 1980s with the publication of *Unequal Achievement: the Irish Experience 1957-82*. Contributors such as Tom Garvin and J. J. Lee wrote critically about social change and economic stagnation yet contested in their writings a then prevalent intellectual fatalism. Lee's 1982 essay in *Unequal Achievement* seized an earlier account by Whitaker of the importance of psychological factors in achieving economic development. As put by Whitaker in 1961:

... the psychological factor which, in my view is, and for long will remain, the most important factor of production in Ireland. This means that it is vital to sustain an atmosphere of enterprise and progress. In such an atmosphere we shall not allow ourselves to be over-awed by future difficulties or to fall into despondency by reason of temporary reverses and setbacks. If enterprise is welled to realism we can advance (Whitaker, 1961, p. 86).

When Whitaker referred to psychological factors inhibiting economic performance he meant a prevalent sense of national despondency that he had detected. Whitaker implied that planning, even if it accomplished nothing else, might engender a sense of optimism and a shift in social attitudes. Lee in turn emphasised the blocking role of a 'zero sum' mindset whereby people saw the advancement of others as only possible at their own expense. Garvin, writing as a political scientist, put empirical flesh on Lee's thesis in *Preventing the Future* by means of an analysis of developmental blocking coalitions of interest groups (2004, p. 241). Similar preoccupations with ideological and institutional barriers to economic growth can also be found in the writings of economists around the subjects of unemployment, debt management and outward migration during the early 1980s.

Yet, Ó Gráda and O'Rourke (1995) ask a fundamentally important question. How could Ireland converge to the EU average, in terms of GDP per capita, in a ten year spell from 1987 if fundamentals of capital and human capital formation were not set right in the decades before? In a 1989 article challenging the prevailing 'doom and gloom' perspectives of many commentators during the 1980s Garvin summarised the extensive gains that had in fact been made since the 1950s. For example, he tracked social indicators (Female Life Expectancy Rates and School Enrolment Rates), over three decades before 1987, documenting persistent and impressive gains in these decades. In terms of Female Life Expectancy Rates "In this statistic at least, Ireland, along with Trinidad, Spain, Portugal, Belgium, Austria and Greece, has clearly travelled from nearly Third World conditions to those of the First World". Garvin (1989) also documented an impressive improvement in the

depth and scope of Education: "The number of third level students in 1985-86 topped 55,000. The number of third level students in the republic is now double the number receiving second-level education in 1922" (Garvin, 1989, p. 315).

While most economic indicators did not show a good performance in the 1980s, foreign investment, export performance and labour productivity surged ahead. If one uses the same data set as Ó Gráda and O'Rourke (1995), the Economy Database from the Groningen Growth and Development Centre, one can examine Ireland's labour productivity from 1950-2005 in 1990 US\$ in PPPs. The trend since 1950 has been a relentless gradual improvement in labour productivity which has led Ireland to converge on the EU levels. It took time for structural change in employment, a move from traditional jobs to better manufacturing and services jobs to work itself out. Employment capacity was weak leading people to ponder on unemployment and migration. The fatalism of the 1980s was misplaced and many would see that we had sustained success in capital and human capital formation resulting from the development of the public administration and policies that were put in train in 1958.

This issue of *The Economic and Social Review* contributes to a third generation of scholarship on Irish social and economic modernisation; most of the papers emphasise how economic and social factors are intertwined and draw on new sources to examine the claims made by earlier writings on Irish developmentalism. Graham Brownlow reappraises claims made on behalf of *Economic Development* and its architects. Peter Murray examines in detail the policy debates which contributed to the expansion of education during the 1960s. In particular he considers the contributions to policy debates of Patrick Cannon, a liberal educationalist, and Patrick Hillery as Minister of Education. Both of these papers and a third by the political historian Brian Girvin engage explicitly with Garvin's analysis. Girvin's focus is upon the role of social continuities in the post-1950s period in accounting for the course of Irish economic development. Two further papers examine its institutional context. Niamh Hardiman and Muiris MacCarthaigh chart the development of Irish public administration since independence and relate this to economic and industrial policy. Patrick Paul Walsh and Ciara Whelan focus on the political economy of Ireland's industrial development since 1958 but also emphasise the central role of social capabilities. They detail how Irish industrial policy, from its inception, came to be strongly influenced by the economic theories of Albert Hirschman which were introduced into Irish debates via the writings and counsel of Loudon Ryan. Finally, Bryan Fanning examines how developmental goals, as articulated in key policy documents and political debates, served to promote large-scale immigration during the Celtic Tiger era.

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