AN INVITATION

THIS is the fifth pamphlet on the Common Market to be published by the Common Market Study Group. If you are impressed by the pamphlet's arguments we would invite you to join the mass-membership, campaigning organisation, The Common Market Defence Campaign, that has been launched by the Common Market Study Group. The Defence Campaign is working towards a 'No' vote in the referendum which will have to be held in March or April. If the people refuse to change the Constitution, as they will be asked to do in the referendum, then Ireland cannot join the E.E.C. and the government will have to negotiate an Association Arrangement or a General Trading Agreement with the Common Market. Please send a minimum subscription of 50 pence to the Joint Secretaries, Common Market Defence Campaign, 24 Belgrave Road, Dublin, 6.

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THE COMMON MARKET

yes or not

THE ECONOMIC AND POLITICAL IMPLICATIONS

by Professor E. T. Nevin and Bishop James Moynagh

COMMON MARKET STUDY GROUP

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THE COMMON MARKET AND THE CELTIC FRINGE*

by E. T. Nevin, Professor of Economics, Swansea

Introduction

Corty years ago, in one of the historic debates in the House of Commons over the pound sterling and the gold standard. one of the greatest of my fellow countrymen, Mr. Aneurin Bevan, rose to his feet and declared that the gold standard had been discussed in terms of such awe and reverence that to say anything critical at that stage would have been the equivalent of telling a dirty joke in a cathedral. One of the great misfortunes of the Common Market debate in these islands is that it too. seems to have entered the realm of theological assertion and counter-assertion in which there are only the chosen or the damned, those who have seen the light and those so blind they will not see. An atmosphere of this kind is unlikely, to put it mildly, to be conducive to objective scientific enquiry and I offer no apology, therefore, for denying myself on this occasion the pleasure of ecstatic transports of evangelical fervour on the evils or virtues of the Romish Six. I come, not to convince, convert or condemn; my mission is the much humbler one of speculating just a little mainly on one single aspect of the great Common Market debate.

^{*} An address before the Common Market Study Group, Dublin, March 31st 1971.

That the debate on this issue should be conducted in terms of frenzied emotion and self-righteousness is not, of course, surprising; the issue to be determined is a political one and political debates are instinctively and naturally conducted in such terms. It is the politicians, not the economists, who keep trying to establish their case with the aid of the support price for Italian apples or the dimensions of the European market for size nine shoes. The economist, knowing the nature of his trade a little better, does his best to maintain a discreet silence or, better still, to remind his listeners that the debate revolves around issues far beyond his calculus of measurable gains and losses — issues such as the tone and texture and character which a society seeks for itself, the style and processes of its law and its political machine, its priorities as between ingredients of the good life, its relationship with and role in the rest of the world.

It is not for an economist to pontificate on such matters in his own country, let alone in someone else's. But he would be guilt of great folly if he simply ignored them when, as I say, they are not merely important aspects of the problem but without doubt the most important aspects. And in the particular context of the smaller, geographically peripheral societies such as ours, there is one additional issue at stake which in a sense subsumes and includes all the remainder — the question of the size and identity of the population over which our policy should seek to run. I cannot pretend to have an answer to the question: indeed, that is not my function. My aim is to examine the way in which the Common Market issue has a bearing on that question and how it, in turn, must be put into the balance with all the other political considerations before a final, rational, properly-informed policy decision can emerge.

The Economic Consequences of the E.E.C.

I have said that the Common Market issue is an essentially political one, and that is manifestly true. Equally obviously membership of the E.E.C. is likely to have certain mainly economic effects on a country and those effects must enter into any assessment of the price to be paid for any given political end. Indeed, we can go further in the regional context: the economic effects may influence not only the size and tractability of a regional problem, if one exists, but also the very mechanism by which its solution can be attempted. This is indeed the main burden of what I shall have to say.

The general statement of the likely economic effects of a customs union will, I am sure, be only too familiar to you. The static economic gains arise, we are told, under three headings: first, the increased specialisation of countries as the barriers to international trade are dismantled; second, the cost reductions made possible as the expansion of the size of markets

opens up the economies of large-scale production; third, the stimulus to efficiency and innovation generated by the increased international competition arising from the elimination of protection against the foreign supplier.

Much fire and fury has raged, as you will know, over the approximate magnitude of these effects, the outcome of the debate so far being characteristically replete with heat rather than light. It is no part of my task on this occasion to enter into this debate: except perhaps to add that the fact that it continues, more or less unabated, more than a decade after the signature of the Treaty of Rome, raises in my mind at any rate a suspicion that these effects can scarcely have been immense in magnitude.

But of course the main economic impact of the E.E.C. is argued to be a dynamic, rather than static, one — that is, the effect on growth rates over the future as both investment and productivity are stimulated by the creation of new markets and new opportunities. Here more than ever we enter the realm of theological disputation, with assertions being made on both sides which are quite incapable of empirical verification; it is in fact noticeable how the more speculative a proposition is in this context the more likely is it to be pressed upon us as manifestly self-evident and questioned only by those lacking faith in their fellow-men in general and their country in particular.

There are two observations which I think it worth making in this context: both are simple but both are nonetheless important. The first is that it is through this impact on the overall growth rate — of England itself as well as its Celtic neighbours — that the main consequences of the E.E.C. are likely to be felt, whatever they may prove to be. This is admittedly somewhat less true of Ireland than it is of Wales, but its general validity remains. Societies such as ours would be foolish indeed to reach a final verdict in this matter on the basis of what seem likely to be more or less immediate gains or losses in the form of markets opened up or lost, average prices raised or lowered; it is the long run which matters, and short-run advantage purchased at the cost of long-run decline can prove to be a very dubious bargain. Equally, of course, short-run decline can prove to be a very dubious bargain. Equally, of course, short-run burdens of formidable magnitude may well prove to be a small price to pay for one or two per cent extra on the growth rate.

The second point follows from this. Whatever the exact magnitude of the dynamic effect of the Common Market may prove to be, there can be no argument about the general mechanism through which it is achieved — specialisation, competition of great intensity, more rapid decline of the inefficient to make way for the more efficient, and so on. This more dynamic environment — i.e. one where comfort, stability and security are somewhat less in evidence than before — is what the Common Market exercise is all about. If these dynamic effects are

to be relatively minor, then so will be the augmentation to the long-term growth rate which the E.E.C. mechanism provides. One cannot elect to have the more rapid growth but not the decline of the inefficient: that is eating the cake and having it, which not even the Treaty of Rome makes possible. Those of us who dwell on the fringes might ponder this carefully — and realistically.

These general issues apart, it is customary to assess the balance of advantage associated with the E.E.C. in terms of the prospects, so far as one can foresee them, of particular industries or sectors — agriculture or steel or motor cars or whatever. This is sensible enough provided one is careful about the level of aggregation being employed. In the real world there is no such thing as an industry or a sector; rather, there are individual producers and individual products. The entrepreneur whose affairs prosper at a particular time or in a particular country is unlikely to trouble his head over the failure of other producers who happen to have been classified by the statisticians in the same category as himself. Conversely, the producer about to enter the bankruptcy court is unlikely to derive any real consolation from the fact that the sun is still shining brightly on some collective abstraction known as "the industry as a whole." Beware, in other words, of generalisations here as everywhere else; the evidence suggests that the range of productive efficiency within any given country, be it on the farm or in the factory. is at least as great as that between countries. As a result, severe qualifications need to be attached to any broad conclusions concerning the probable benefit or damage to a national industrial group as the result of a change in the general trading environment.

The E.E.C. and the Periphery: The Pull of the Centre

So far I have been speaking in very general terms about the possible effects of a customs union situation on countries in general, but I want now to turn to what is my main topic on this occasion — the special considerations applying to countries or regions which are on the periphery of an area covered by such a union. Now you will be aware that there are strong and deep forces at work in any modern economy which operate in a centripetal fashion. This tendency is closely bound up with three very fundamental characteristics of a modern society:

- a. First, the declining use of labour relative to capital in agriculture and the corresponding urbanisation of society.
- b. Second, the decreasing reliance of manufacturing industry on natural materials, whether for processing for power,

and the consequent emphasis on proximity to the final market, rather than to mineral deposits or cultivable areas, as a determinant of industrial location and thus of population distribution; and

c. Third, the continuously increasing importance of services

 as opposed to primary and manufactured products
 as income levels rise and the compulsive power of the apparent economies of scale in so many of those services
 for example, transport, health, distribution and (I speak, as St. Paul says, as one less wise) perhaps education and entertainment.

It would take me too far afield to comment at length here and now on these three characteristics of contemporary development: they are only too familiar to most. Their consequences are also familiar — the decline of the countryside and the increasing concentration into what the contemporary jargon calls, with appropriately ugly inhumanity, the conurbations, the simultaneous decline of many areas like the valleys of South Wales dependent on the attractiveness of mineral wealth for their prosperity or, finally, the struggle for survival on the part of rural rail services or small shopkeepers or cottage hospitals or village schools overshadowed as they are by their monolithic big brothers of the city. It is not, for many of us, a particularly attractive picture: but it is real.

If these forces are so deep-rooted, it is natural to ask, why have they not led to the total extinction of the peripheral nations of Europe and the total concentration of population in the centre? To some extent, of course, such a tendency has been at work, but it will be found on reflection that this centripetal phenomenon has been seen most strikingly within the individual countries of Europe rather than between them. Why is this? The answer is that in the context of international trade it is comparative cost which determines the viability of any given industry: differences in the absolute costs of production of a given industry in different countries can be largely, if not wholly. eliminated by one or both of two very powerful perquisites of sovereignty: the tariff (or comparable restrictions on trade), which affects the prices of the foreign supplier relative to those of the domestic producer, and the rate of exchange of the currency, which affects the prices of domestic exporters relative to those of the foreign supplier in his own market.

Given these immensely powerful weapons, the centripetal tendencies I have referred to can be substantially offset — wholly offset, perhaps. You will observe, I hope, that I am saying nothing about the desirability of such offsetting. Given certain assumptions (but only given these) the centripetal tendency, whether working through international trade or not, carries with it — and, indeed, arises because of — important economic gains to the community. Obstructing those tendencies may therefore impose significant economic losses on the community, and it

behoves society to make sure that the advantages it gains (or believes itself to gain) by this interference with market forces are at least as valuable as the economic losses they involve. This may well be a question resting essentially on political rather than economic values, to return to the point I laboured somewhat earlier. But that is precisely the point: society has the choice and can exercise that choice, wisely or ill. A society which has no control over its foreign trade or its rate of exchange does not have that choice.

It will be clear now, I hope, why until recently this centripetal tendency has been stronger within countries than between them. As between sovereign countries its operation has been qualified, to varying degrees, by these instruments of national economic policy. Within any individual country, on the other hand, there can be by definition neither tariffs nor differences in price-levels arising out of foreign exchange rates — or, for that matter, any other cause. The survival of peripheral regions within a country has thus depended on absolute, not relative, costs; the balance of advantage was thus heavily and inexorably tipped in favour of the big, central battalions. The attempt to reduce, or ideally to reverse, the decline of the periphery has of necessity taken the form of tax concessions, advance factories, cheap loans and so on. It is evidence of how deep and how powerful these centripetal forces are that despite expenditure in these ways on a quiet generous scale, the experience of Europe has been virtually the same throughout: the centripetal tendencies may possibly have been slowed down, but they have emphatically not been reversed.

The Challenge of the E.E.C.

I am hoping that at this stage it will be fairly clear what the special challenge of the Common Market is for those of us who live — and who would like very much to go on living — in what I have irreverently, but not without affection, called the Celtic fringe. Joining the E.E.C. puts us in important respects in the position of regions of a single, large European nation rather than sovereign, independent countries or, in the British case, regions of a sovereign country with some influential claim for special regional treatment. The power to levy tariffs against the rest of that enormous European nation disappears: the power to vary exchange rates does not disappear necessarily or immediately, but it is inherent in the logic of the Treaty of Rome that one day it will.

- The drift of the argument is therefore plain:

(a) First, the *mechanism* of the E.E.C. — i.e. increased specialisation and the pursuit of the economies of scale — is of its nature likely to accentuate rather than to reduce

the adverse pressures operating on areas in decline or militating against those in which industrial growth is at only an early stage.

- (b) Second, the centripetal tendency so clearly in evidence within individual countries must, a fortiori, exert itself at a continental level; if an area is peripheral to Dublin or London, how much more peripheral must it be to Cologne or Milan?
- (c) Third, the techniques presently available in the battle against this drift towards the centre — weak and inadequate although most of us believe them to have been — will be much attenuated and in certain cases totally excluded.

This last point is so crucial that it is worth dwelling on it for a moment longer. It would of course be absurd to suggest that policy measures designed to protect or assist regions particularly depressed or under-privileged are in any way impossible within the terms of the Rome Treaty. Every one of the Six has applied in recent years some at least of the policy measures so familiar to us all — tax concession on or investment grants to developments in selected areas, loans at low interest rates retaining grants and so on. But membership of the E.E.C. would qualify in two important respects the powers to influence new development currently open to countries outside the Community. In the first place certain policy weapons might indeed prove to be incompatible with E.E.C. membership — for example, the tariffs and quantitative restrictions on European imports in the case of Ireland or the Industrial Development Certificate system in Britain. Secondly, policy measures favouring certain sections of the population would have to be justified by comparison with regions in continental Europe in which poverty and underdevelopment exist to a degree which would make regions in these islands, relatively poor though we may currently consider them. appear quite prosperous by comparison. Hence, in the face of centripetal tendencies accentuated by the mechanism inherent in the E.E.C. mechanism, our powers to offset them, already of dubious effectiveness, will be to greater or lesser degree curtailed.

Put that way, my argument may sound like an outright condemnation of the Common Market and all its works, at least so far as the Celtic fringes are concerned. That would be a misinterpretation, although an understandable one. What I am stressing is simply that one cannot join the E.E.C. system, based as it is essentially on the operation of economic forces at a supra-national level and simultaneously avoid a loss of some degree of national power of self-determination; that is like hoping to grow the lush green grass of Ireland in the climate of North Africa. That is only a condemnation of the Common Market system on the hypothesis that the restrictions on national power of political self-determination — or, to be precise, on the

political aims which that power would have been used to pursue — are of greater worth than the higher income levels generated through the intensified specialisation and competition of the Common Market. That is arguable, but in no sense self-evident. For the large, established power the dilemma may indeed disappear: being large, it may gain so much from the centripetal forces at work in the system that its power to pursue chosen political ends may be enhanced rather than restricted. For the smaller nations on the periphery the dilemma cannot possibly be disposed of in this way.

So the question comes in the end, as it always must, to the basic issue of the priorities any community must set for itself. If the throwing-open of the windows to a wider world will mean, as it surely must here, losses in some spheres and gains in others, where does the balance lie? If it should seem likely that incomes will be raised but the number of people left to earn those incomes will be reduced, has the nation gained or has it not? Who is the nation for these purposes? Is an Irishman doubling his real income in Turin part of Ireland? Or a Welshman in Dusseldorf complete with Mercedes part of Wales? If the population within our borders grows twice as fast in terms of income but half as fast in terms of numbers, are we better off, in some sense, or not?

As I remarked at the outset, it is not for an economist to advance answers to these questions in his own country, let alone one in which he merely dwelt as a guest some years ago. But if anyone should argue that the Common Market thing does not raise these issues in the most acute form, that it is black and white and reducible to the guaranteed price of beef or butter, then he deludes not merely himself but (if you will let him) you also. But I have no fear: vision and perception are highly developed in these parts: we have not dwelt for centuries in the Celtic twilight for nothing.

IRELAND AND THE E.E.C.

by Most Rev. Dr. James Moynagh, former Bishop of Calabar and Parish Priest of Annaduff, Co. Leitrim.

A decision to enter the European Economic Community, would be the gravest that Irish citizens have ever taken. Previous grave issues, such as the Act of Union, Emancipation, the Land Acts and the Treaty were decided by 'representatives', sometimes against the wishes of the vast majority, sometimes with almost universal acclaim, but never with a referendum of all the people.

A decision on entry to EEC is about to be taken by a people with at best a fragmentary knowledge of what is involved. The normal process of party politics, whereby the merits and demerits of an issue are teased out and presented to the people, has been put in abeyance on this transcendental issue by the support of entry by both major political parties.

Agreement by both main parties to seek membership of the EEC might, at first blush, he indicative of their joint, reasoned, democratic conclusion that such a course is in the country's best interests. But where is the evidence that either party has decided in this manner to support entry? It is abundantly clear that the policy of both parties on this major, most complex, far-reaching, irrevocable step has been taken without consultation with the party members.* Indeed, it appears to have been taken with little reference to the majority of parliamentary members. How many T.D.s are aware of what is involved and are convinced of the desirability of EEC membership?

There is little evidence that there has been a reasoned, prudent weighing of the economic and social advantages and disadvantages of entry. There is little evidence that there has been a careful, diligent, imaginative examination of such alternatives to entry as an association, or a trade agreement, with the EEC. Instead, there has been the repeated, deterministic assertion that 'there is no alternative to membership if Britain joins.' It is difficult to avoid the conclusion that the decision by both major parties to seek entry has been taken by a caucus of party leaders in both instances, without reference to their supporters, with inadequate consideration of the consequences, and without examination of possible alternatives. It seems at least as likely that the agreement by both major parties to support membership reflects a common bankruptcy of ideas and ideals at the top as it does a common, reasoned conclusion of the wisdom of the proposed course.

^{*} See, for example, the letter by Mr. Gillen, Evening Press, June 22 and statement by Mr. Keane, The Irish Times, July 26.

Public Confidence

Political leaders are entitled to the support of their followers on political issues. But this entitlement is not absolute. The public, no less, is entitled to insist that decisions by political leaders on major issues, such as that involved here, are reached in an open, reasoned fashion that commands public confidence. In the absence of such a process of decision-making by the major political parties, it is incumbent on the Irish people to attempt, themselves, to evaluate the advantages and disadvantages of entry to the EEC or of the alternative courses available to us.

It is a pity that in attempting such an evaluation the public is hindered by the one-sided presentation of the case by the media. As *The Spectator* put it (referring to Britain): 'It has hitherto been a democratic scandal that the great opposition to entry which exists in the country has found no due means of expression, whether on radio, television, in the press, or through party politics.'

Though I have spent most of my life away from Ireland, I have never lost touch with events here. I grew up in days close to the struggle against landlordism and am told enough to be aware of the part played by the clergy and by the Church here in that struggle. I knew some of those deeply involved in the Land League. I went through school and college in the days of the struggle for national independence, and knew of the high ideals of the men who gave their all and know the kind of nation they desired. I have known the tragic civil war and the shattering of ideals that followed it.

It is hardly necessary, writing for priests, religious or concered laymen, to explain further one's deep concern with the present crucial decision. From Rerum Novarum down to Pope John's Mater et Magistra, Pacem in Terris, and Pope Paul's Populorum Progressio and Vatican II's Gaudium et Spes, all of us are aware of the grave obligation to show concern with the welfare of our brothers. 'Feed the man dying of hunger, because if you have not fed him you have killed him.'

I pose, therefore, some questions relative to our prosposed entry to the 'European' Economic Community. (For it is a misnomer. The 'Six' is not Europe, but, practically, only 'Five,' for Luxembourg is a mere principality. And perhaps it is no mere chance that the Five — and Britain too if it joins — are all excolonial powers, who built their economies in the scramble for possessions, and still retain considerable colonial interests. The 'European' Economic Community works without close liaison with the other European countries, many of them in the Marxist orbit with whom Christians should hope for more human relations and amelioration for the persecuted 'Church of Silence.')

Questions That Need Answering

My first question must be: How will entry to the EEC affect the major social evil that has been the source of most of our other social evils? I refer to emigration, the blood drain that has continued unabated during fifty years of political independence. During those fifty years well over one million of our youngest and most energetic — or nearly half of those born here — have left this small island. This bleeding of the race does not mean just the West, for emigration affects all counties except a fringe on the Eastern seaboard.

There can be no question that emigration is our greatest social evil and the source of such other evils as the over-crowding of our principal city with its housing shortage, traffic congestion and pollution. Relative to our less than three million population, Dublin, with over 800,000 has a larger proportion of the total population than London has of England's. Other evils arising from emigration are evident. There is the cynicism of many of our young about the language — why learn Irish to live in Kentish Town? Apathy and indifference is general among those who remain, many of them old. There is great loneliness, and too many homes where old folk eke out their days watching for the letter, or the visit, from England or the U.S. One could go on and on with the tragic tale.

Economically, the loss has been catastrophic. Think what it would mean to the economy and to the virility of this society if the population here were over four million, instead of under three million. How would Britain be today if eighteen million of its youth had gone to Australia or Canada since 1920?

Cost of 'Human Exports'

The economists can calculate the cost of bringing a child from infancy to eighteen or twenty years of age. I am informed that over the past twenty-five years Ireland put as much resources into the rearing and training of its emigrants as into physical capital formation; that the cost to this society of our 'unrequited human exports' has exceeded the value of our cattle and sheep exports. These young, energetic workers have, of course, been an enormous boost to the British economy, building their motorways and housing developments, nursing their sick and bringing medical skill to the diseased. For us it has meant stagnation. But our political leaders, by and large, have brushed it off as 'something that has always happened.' No one was even aware of the scandal of 'the tatie-hokers' until a chaplain broke the news of the 'concentration camps' in Scotland.

What Ireland has suffered as a result of emigration in the breakdown of culture, of dynamic thinking, of social concern and of economic revival, is incalculable. The emigration of our

youth has led to gross imbalance in our population's age structure so that, for example, for every 100 persons in that most vital age group twenty to forty-five years, Ireland supports 145 persons under twenty years, while Britain supports ninety-nine. This imbalance results in greatly excessive costs to those remaining in providing adequate educational facilities for our youth and in making decent provision for our aged.

Recent research* indicates that the high incidence here of mental illness — and I would guess that much of the alcoholism too — is due to loneliness and apathy. There are so many bachelors who cannot find partners while the flats of London and all the cities of England and Dublin are the homes of our emigrant girls.

Those who support entry to the EEC are ominiously silent on the probable effects on emigration. Experts are agreed — and as the priest of a denuded Leitrim parish, I concur — that resources of manpower and capital are drawn from outlying, peripheral areas to the great centres of economic unions. Will this drawing away of resources not occur from the whole of Ireland at an accelerated rate if we merge our economy with that of the EEC?

We hear of the 'highly competitive,' or the 'fiercely competitive' EEC. Even under the initial stages of the free-trade agreement with Britain we find many of our industries in trouble. How much greater will these difficulties be when German, French, Italian and Dutch products have free access here? Will the various foreign companies with subsidiary factories here not find it more profitable — as some British companies already have — to import their products from their vast complexes in Europe? With more and more of the wholesale and retail trade here already controlled by a handful of major foreign groups, how can we prevent the shelves of our stores and supermarkets being stocked exclusively, or almost exclusively, with the products of the British and Dutch factories of these groups? Can our fragile, tiny industries, faced with this fierce competition, absorb those made redundant by Mansholt's Plan to halve the agricultural population within a decade?

Size of Market

Committed pro-marketeers assert that 'small industries do very well in the EEC.' Perhaps so. But in a radius of fifty miles almost anywhere in the EEC there is a market of 100 million people with incomes twice as high as in Ireland. Here there is a tiny market of three millions, and for the exporter our extended

* Brendan M. Walsh, Some Irish Population Problems Reconsidered, E.S.R.I. Paper no. 42, p. 4.

The further argument is urged that the Community will foster and finance regional development, and that Ireland, with her meagre industry, will qualify as a most deserving region — 'that most distressful country,' that has survived and become 'affluent' (for some) 'on tick.' (For we have created here within the past twenty-five years a national debt which, relative to our resources, is the largest in the world.)

But, from all we learn, the bureaucrats in Brussels are hardheaded (if not hard-hearted) men. If resources become available will not South-Western France and Southern Italy, both countries with populations of fifty millions and having enormous influence in the Six, take precedence? Italy already complains bitterly of the inadequacy of the EEC's regional policy and the widening gap between its South and the other, more central regions in the Community.* And if Britain joins, are resources likely to bypass the North of England, the ghost towns of Lancashire, the collapsed ship-building of the Clyde, or the dying mining areas of Wales and Yorkshire to come to us? Will the three million in the Republic be given a higher place in the cheque?

Nature of Community

My second question is: What is the nature of the Community we propose to enter? Is it a Community working together for the common good, not only of its own weaker sections but for the betterment of people everywhere? Or is it a Community dominated and influenced by supranational corporations and cartels? In short, is it the kind of Community envisaged by Pope John in Mater et Magistra and by Pope Paul in his recent apostolic letter?

Those who read the book *The American Challenge* by Servan Schreiber must dread the prospect he paints of a Community dominated by vast corporations which transcend national boundaries and governments, and can compete or even surpass the United States in wealth. This certainly is the sort of Community that attracts the Conservative British Government — a Community, as the recent White Paper states, 'whose joint strength and influence in the world can be so much greater than that of its individual members', and one which can compete politically, and militarily 'in the world of two super powers whose strength is based on their great size and economic resources. A third — China — is emerging in the Far East. In economic affairs, the

^{*} The Irish Times, 5 August 1971.

European Community and Japan are also well on the way to super power status.*

To answer the question of the nature of the Community to which we are asked to confide our destiny, one could go on to ask a series of other questions:

(a) What is the attitude of the Community to starving millions of the third world? Do they spend more than 1 per cent of their wealth in helping the developing countries, and is not the help given tied to trading advantages? Or is it not, to a large extent, 'conscience money' for the harm done to the developing countries by the EEC's policies on such matters as sugar, oils and fats, which undermine world markets for these staple products of the developing world?

(b) Is it not clear that the Community is bureaucratic in its concept? Every proposal for change or new approach must be put forward by the Commission and accepted by the Council of Ministers. And the Commission is *not* responsible or amenable to the participating governments.

(c) Is not the Community dominated by the major partners, Germany and France, to be joined in the future by Britain? Why, for instance, should the destiny of our people be decided by a two-day meeting between a Tory Prime Minister and a French President? And what took place at that seance that made Britain — and us — acceptable? Was this a fit occasion for an Irish Minister to return exultant to Dublin to state: 'We are going in, and I am going to see that we go in.' One notes than any bargaining position we might have had was at once thrown away. We did not even have the courage to stand out with Norway for a twelve mile fishing limit, but meekly agreed to go along with Britain to argue that out 'after entry.' Once we said 'If Britain goes in, we must go in also,' our chief negotiator became Mr. Rippon. One is reminded of Orwell's 1984 — 'Big Brother will decide.'

Does not the assumption behind the assertion, 'We cannot survive if we do not go on', brand the Community as a Monster which would crush a weak non-member? But in fact this assumption quite ignores that the Community is committed (whether they proceed is another question) to the General Agreement on Tariffs and Trade (G.A.T.T.) whereby all tariff barriers are to be gradually removed between all states. Moreover, recent developments have made clear that we, as a West European country, can immediately negotiate free trade conditions with the EEC, as we have done with Britain, should we remain outside and consider this desirable.**

This brings me to my third question: Why should it be smugly assumed that we, a small nation, endowed with land resources five times as great as Britain's and the EEC's relative to population, cannot survive if we do not throw in our lot with the fiercely competitive world dominated by great powers and corporations whose interests are totally different from ours and whose policies we cannot materially alter? We also have rich mineral resources and Europe's best fishery potential — all of which are needed by the 'market.' One is forced to ask: If the Irish people really desired to establish here a more just society and to guarantee a decent opportunity to every Irish citizen, would it not be a more Christian thing to retain control of our resources and accept responsibility for the future of our small population?

In short, when leaders tell us: 'We must join the EEC or we shall not survive,' is not this the most blatant economic determinism and a confession of bankruptcy — bankruptcy in policies, in courage and in leadership?

I pose the question of the easy acquisition of land and national assets, which will be open to foreign financial interests if we do go in. That too is a fact of the Treaty of Rome. It is a fact that should be faced with grave fear.

Finally, I refer to Pope Paul's recent apostolic letter. After reference to the many social evils in the world — injustice to the poor, the creation of superfluous needs and so on, the Pope asks: 'While very large areas of the population are unable to satisfy their primary needs, superfluous needs are ingeniously created. It can then be rightly asked if, in spite of all his conquests, man is not turning back against himself the results of his own activity? Having rationally endeavoured to control nature, is he not becoming the slave of the objects which he makes?'*

Is not the assertion that outside the EEC we in Ireland cannot survive and create here a society appropriate to our circumstances and aspirations, a manifestation of enslavement to wants without the ingenuity and fortitude to satisfy these by our own efforts?

People Must Answer

It will be for the people of Ireland to answer these questions. Certainly if one thought the EEC was the benevolent Christian society envisaged in *Mater et Magistra* or in Pope Paul's recent apostolic letter there would be no question of our remaining out-

^{*} The United Kingdom and the European Communities, pars. 26 and 27.

^{**} International Agency for Press Information, no. 830, Brussels, 17 June 1971.

^{*} Apostolic Letter to Cardinal Roy.

side. But if it is a power bloc bent on great concentrated wealth and power at the expense of the happiness of people, it could bring ruin to Ireland.

The recent collapse of the bright hopes so confidently placed on tourism might be for us a salutary lesson — a lesson not to pin high hopes on bonanzas from abroad. Instead of blindly relying on Community institutions, on whose character and mode of operation we shall have minimal influence, we might put more trust in a more just and rational division of our resources, and on providing better opportunities and worthy ideals rather than patronage and hand-outs for our young, capable and energetic people. This, I fear might call for better and more inspiring and dynamic leadership. But this, too, the Irish people can get if they insist on it: and if they have better communication with leaders.

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OBJECTS

The objects of the Association shall be:

- 1) To defend Irish sovereignty in relation to the Common Market and to maintain the permanent and indefeasible right of the Irish people, through their elected representatives to be the final arbiters of whatever laws are passed for the State:
- 2) To foster greater public awareness in Ireland of the implications of full Common Market membership.
- 3) To demand a separate referendum on the issue of Common Market membership.
- 4) To urge that, before a referendum is taken, all reasonable alternatives to full Common Market membership are investigated by the Government, and the results of these investigations presented to the public.
- 5) To urge upon the Government the following minimum and permanent safeguards as essential to preserve the Irish economy and way of life in any arrangement with the E.E.C.
 - (a) maintenance of Ireland's military neutrality.
 - (b) ensuring that any arrangement with the E.E.C. shall not impair the constitutional claim to the reunification of the national territory.
 - (c) Maintenance of the 12 mile limit so as to conserve our inshore fisheries and protect the livelihood of Irish fishermen.
 - (d) Maintenance of effective controls on the buying of Irish land by non-nationals.
 - (e) Retention of powers to adopt measures to decelerate the decline of the agricultural working population.
 - (f) Maintenance of the right to pursue policies of regional development appropriate to Irish conditions.
 - (g) Maintenance of selective protection for industries particularly vulnerable to free trade.
 - (h) Retention of export tax-reliefs and other industrial aids as long as these are deemed necessary by the government.
 - (i) Maintenance by the government of whatever powers are considered necessary to foster the national identity and cultural values.
- 6) To organise support throughout the country for these objectives in whatever ways are considered appropriate.

Title: The Common Market: Yes or No!

Organisation: Common Market Study Group

Author: E. T. Nevin, James Moynagh

Date: 1972

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