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The Journal of Irish and Scottish Studies is a peer reviewed journal, published twice yearly in autumn and spring, by the AHRC Centre for Irish and Scottish Studies at the University of Aberdeen. An electronic reviews section is available on the AHRC Centre’s website at: http://www.abdn.ac.uk/riiss/issjournal.shtml

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Cover image: Tercentenary series £50 bank note, marking the 300th anniversary of the founding of the Bank of Scotland (1695).
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Notes on Contributors
In John Ramsay McCulloch’s edition of Adam Smith’s *The Wealth of Nations*, first published in 1828, McCulloch offers the following justification of the science of political economy, and of the principle of the accumulation of wealth which it studies:

The possession of a decent competence, or the ability to indulge in other pursuits than those that directly tend to satisfy our animal wants and desires, is necessary to soften the selfish passions, to improve the moral and intellectual character, and to insure any considerable proficiency in liberal studies and pursuits. Without the tranquillity and leisure afforded by the enjoyment of accumulated riches, these speculative and elegant studies which enlarge our views, purify our taste, and lift us higher in the scale of being, could not be successfully prosecuted. The barbarism and refinement of nations depend more on their wealth than on any other circumstance. No people have ever made any distinguished figure in philosophy or the fine arts, without having been, at the same time, celebrated for their riches and industry.¹

Culture and refinement, for McCulloch, follow wealth: wealth, therefore, is the necessary foundation which has to be built before a culture can achieve ‘refinement’, and before distinction ‘in philosophy or the fine arts’ can be produced. McCulloch believed that he was here expressing the truth taught to us by Smith’s *The Wealth of Nations*, and it is this version of Smith that has been promoted by the neo-liberalism that came to dominate Western politics in the last quarter of the twentieth century. In 1975, in Chicago, Margaret Thatcher declared that ‘Adam Smith, in fact, heralded the end of the strait-jacket of feudalism and released all the innate energy of private initiative and enterprise which enables wealth to be created on a scale never before contemplated’.²

‘Wealth creation’ became the primary aim of political parties right and left, and nations were to be judged by their ability to generate wealth. By the 1990s, in the ‘Celtic Tiger’ years, Ireland was to be a model of such wealth creation, achieved by unfettering the Republic from the desire of its founders to protect the Irish people from the modern world, and then by embracing the principles of a liberal, free market economy. By contrast, Scotland was a ‘dependency’ culture, clinging to a socialist vision of planned development and deeply resistant to entrepreneurial capitalism. To Mrs Thatcher, Scotland’s refusal to adopt her free-market principles was deeply ironic, for ‘Scotland in the eighteenth century was the home of the very same Scottish Enlightenment which produced Adam Smith, the greatest exponent of free enterprise economies till Hayek and Friedman’.

If, after the economic disasters of 2008–09, few could still subscribe wholeheartedly to the view that free markets and free enterprise would, as McCulloch predicted and Thatcher insisted, create the wealth to allow human beings the ‘enjoyment of accumulated riches’, nonetheless, as the bailout of the banks proved, no government has an alternative vision of how the international economic system might be organised. But that such ‘free-market’ economies released people for those ‘speculative and elegant studies which enlarge our views, purify our taste, and lift us higher in the scale of being’ is hardly credible: the increasing gap between rich and poor, lengthening real working hours, the trivialisation of a public sphere infused by advertising, the retreat of the State from publicly-funded higher education and the retreat of higher education itself from any but pragmatic values, does not suggest that we have been, as societies, lifted ‘higher in the scale of being’. If artworks are still being traded at enormously inflated prices it is symptomatic not of a widely spread increase in ‘speculative and elegant studies’ but rather of the commercialisation of the art world as a ‘hedge fund’ for those with wealth that needs a secure location in a world of increasingly untrustworthy investment vehicles—not only the insecurity of the banks and the untrustworthiness of the bankers and the brokers, but increasingly of the governments which back them. Rather than ‘soften the selfish passions’ and ‘improve the moral and intellectual character’ of the nation, the neo-liberalism of the 1970s and 80s produced, as a whole series of commercial and political scandals revealed in 2009, a world distinguished by an anti-intellectual, amoral selfishness. We

Copley and Kathryn Sutherland (eds), Adam Smith’s Wealth of Nations (Manchester, 1994), 2.

3 Ibid.
end the so-called ‘noughties’ with a world brought to ‘nought’—or at least to national debts with dizzying numbers of ‘noughts’—by fifty years of the pursuit of national wealth: prognostications of the future that awaits us, not only in Ireland and Scotland but in the West more generally, point to many years of public austerity (whatever the increases in private wealth) and a squeeze on state funding in which culture and the arts will be among the first to suffer, precisely because they are seen as the outcome and products of wealth. The wealth having disappeared, they will be (once again) unnecessary till the foundations of wealth have been rebuilt.

This monocausal relationship between wealth and the arts could be challenged from many different historical perspectives: Robert Burns grew up in a period and in a social context where it was almost impossible for small tenant farmers like his father or himself to accumulate wealth, and yet he not only accumulated and passed on one of the richest folk collections in the world but turned many of them into works which still have worldwide recognition; the Irish Literary Revival, which gave us some of the greatest works of Anglophone modernism, took place in an Ireland less than two generations away from the crisis of the Famine, two generations in which almost half the population had been driven to emigration by the country’s impoverishment; and the period of Thatcher’s destruction of the British manufacturing economy in the 1980s, and, especially, of the Scottish manufacturing economy, with unemployment levels not seen since the 1930s, was the period of the greatest efflorescence of Scottish art since at least the 1920s and perhaps as far back as the 1820s. What McCulloch’s view of cultural refinement ignores is what Hanif Kureishi believes made Thatcher uneasy about ‘culture’: Thatcher, he suggested, was not simply a person ‘of little cultural sophistication or understanding’, but ‘actively hated culture, as she recognised that it was a form of dissent’. Those societies which made a ‘distinguished figure in philosophy or the fine arts’ were, for McCulloch, also ‘celebrated for their riches and industry’, and it was, presumably, those riches and industry which the fine arts ‘celebrated’. Dissent is not part of the wealth of the nation.

It is an attitude which has come to dominate State provision of the arts in the era of neo-liberalism. In Scotland, for instance, the achievement of a devolved parliament in 1999 was, in large measure, the outcome of twenty years of cultural revival and of cultural resistance to the authority of London government. As Jonathan Hearn has noted, ‘in the struggles over the relative

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roles of the state and the market in social provisioning since about 1980’ there
developed ‘a strong association between Scottish home rule politics and anti-
Thatcherism, Thatcherism being cast as the antithesis to a whole set of deeply
embedded Scottish values’. Nowhere was this more notable than in the arts—it
is significant that at a rally of over 30,000 people in December 1992, a rally
designed to show the leaders of the G8 countries then meeting in Edinburgh
that the very country they were meeting in was not represented in their talks,
Scottish writer William McIlvanney declared, to enormous applause, ‘Let’s not
be mealy-mouthed about all this. The Scottish parliament starts here, today!’
It was not the politicians but the writers and artists who made national identity
the basis of resistance of Thatcherite economics. It seemed, when the new
devolved government made its ‘Cultural Strategy’ one of its earliest matters for
consultation, that the politicians were going to repay their ‘unacknowledged
legislators’ with a new role for artists and the arts in Scottish life.

What emerged, however, was less a strategy for culture than a strategy
for how culture could deliver for politics. ‘Cultural development’, it declared,
‘contributes to the image of Scotland as a modern, dynamic, and forward-
looking society’, thereby, of course, immediately excluding from Scotland’s
new culture both the backward-looking and nostalgic elements which have always been a part of it and the culture represented by Irvine Welsh’s
*Trainspotting*, which refuses to be hooked on forward-looking dynamism.
More importantly, culture’s role was to make a contribution ‘to wider Scottish
executive priorities such as social justice, economic development, regeneration
and equality’. ‘Culture’, in other words, has become the *medium* through which
the social and economic aims of the Scottish Executive can be *managed* and
*directed*, and creativity is harnessed to economic performance. Thus, ‘because
Scotland’s culture is dynamic’ and because it has already shown the ‘capacity
to respond to new influences and to integrate them with existing traditions’, it
follows that ‘the ability to adopt and adapt, allied to a capacity for innovation,
mean that Scotland is well-placed to respond to the accelerating trend towards
globalisation while maintaining a culture which remains modern, distinctive
and relevant to the experience of Scots’. The circularities of this last sentence

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5 Frank Bechhofer and David McCrone, *National Identity, Nationalism and Constitutional
Change* (Basingstoke, 2009), 145.
8 http://www.scotland.gov.uk/nationalculturalstrategy/docs/cult-03.asp; accessed
February 2003.
reveal the profound quandary of the Executive’s strategy: it needs to manage culture to make Scotland acceptable to globalised capital by developing its ‘modern dynamism’ while at the same time presenting culture as the already-existing ‘experience and history of all Scotland’s citizens’. Individual Scots are thus both the origin of the culture for which the Strategy is developed and mere spectators of it until both they and it have been massaged into an appropriately modern and dynamic form. This can be seen in Scottish Arts Council (SAC) plan for of 2001–02. Punningly, entitled ‘Work in Progress’, the real work in progress seems to be that of harmonising the SAC’s work with the progress of0190(122,280),(158,310) the Executive’s strategy, since each SAC action is keyed to a National Cultural Strategy priority, which in turn is related to the Executive’s social objectives, as though the SAC were simply the arm of government charged with carrying out the Executive’s policies by proxy. Of course, ‘he who pays the piper…’, but ironically, and probably for the first time, a very large proportion of the SAC’s funds did not, at that time, come from the government directly but from lottery funding, so that at the very moment when it might have been possible for the SAC to have the financial resources to set its own aims as cultural ones, it submitted itself to the Executive’s conception of culture as the means of delivering other social objectives. This is clear in the various strategy documents produced on behalf of the departments of the SAC, such as the Literature Strategy:

In the globalised world of the 21st century, where the knowledge and skills of a country’s people will be crucial to success, literature will help to equip every Scot to live and work, and to reflect, communicate and engage, in this new and complex environment. Literature assists people to develop the essential skills of literacy, articulacy, independence of thought and enterprise.

Literature is not the aim of the document nor the aim of the strategy: literature is a means to the fulfilment of the general government policy of making Scotland fit for international business. An anti-Thatcher movement of cultural and national dissent had turned, in the hands of New Labour, into an attempt to recast Scottish culture as an appropriate partner for global capital.

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9 Ibid.
10 Scottish Arts Council, 12 Manor Place, Edinburgh EH3 7DD; ‘This plan covers the period 1 April 2001 – 31 March 2002’.
Such outcomes are inevitable when culture is regarded as the consequence of wealth: culture must necessarily be in harmony with wealth, even when it is the culture of the ‘folk’, since anything which is not in harmony with wealth cannot represent the ‘refinement’ that separates us from ‘barbarism’. These are not consequences that flow necessarily, however, from the theories of Adam Smith, as opposed to his nineteenth-century interpreters. Indeed, for Smith, what we would describe as the ‘aesthetic’ is the very foundation rather than the outcome of wealth, since the gold and silver which became the medium of exchange in commercial societies derive their value primarily from their ‘beauty’. Indeed, ‘the demand for the precious stones arises altogether from their beauty. They are of no use but as ornaments; and the merit of their beauty is greatly enhanced by the scarcity, or by the difficulty and expense of getting them from the mine’.12 Beauty is not the consequence of wealth but its very foundation: things are valuable because they are deemed to be beautiful. This is equally true of wealth: its appeal is not in the reality of its acquisition but in its power over the imagination:

We are then charmed with the beauty of that accommodation which reigns in the palaces and oeconomy of the great; and admire how everything is adapted to promote their ease, to prevent their wants, to gratify their wishes, and to amuse and entertain their most frivolous desires. If we consider the real satisfaction which all these things are capable of affording, by itself and separated from the beauty of that arrangement which is fitted to promote it, it will always appear in the highest degree contemptible and trifling. But we rarely view it in this abstract and philosophical light. We naturally confound it in our imagination with the order, the regular and harmonious movement of the system, the machine or oeconomy of which it is produced.13

Our admiration and envy of the life of the wealthy is the product of the imagination, which sees in it ‘something grand and beautiful and noble’, worthy of ‘all the toil and anxiety which we are so apt to bestow upon it’—but it is, nonetheless, simply an illusion. ‘Power and riches’ are, in fact, ‘enormous and operose machines contrived to produce a few trifling conveniences to

the body, consisting of springs the most nice and delicate, which must be kept in order with the most anxious attention, and which in spite of all our care are ready every moment to burst into pieces.\textsuperscript{14} Just as, in his essay on ‘Astronomy’, Smith sees scientific progress as a series of systems ‘fitted to sooth the imagination’,\textsuperscript{15} each deceptively appearing to have produced order out of chaos, so the accumulation of wealth is a series of deceptions that appear to produce order in the world:

It is this deception which rouses and keeps in continual motion the industry of mankind. It is this which first prompted them to cultivate the ground, to build houses, to found cities and commonwealths, and to invent and improve all the sciences and arts, which ennable and embellish human life; which have entirely changed the face of the globe, have turned the rude forests of nature into agreeable and fertile plains, and made the trackless ocean a new fund of subsistence, and the great high road of communication to the different nations of the earth.\textsuperscript{16}

Economic activity, for Smith, is driven by the imagination—and, if we apply the lesson of the essay on astronomy to \textit{The Wealth of Nations} itself, the science of economics is nothing more than imaginary systems ‘fitted to soothe the imagination’, each doomed—like the economies they describe—to crash when alternative imaginings collide or when their vision of order proves incompatible with ‘reality’.

This sceptical dimension of Smith’s philosophy is one which is least acknowledged by those who, in the modern world, regard themselves as disciples of Smith’s free market ideology. Thus George Sigler of the ‘Chicago School’ declares that Smith’s great achievement was that

\begin{itemize}
\item he put into the center of economics the systematic analysis of behavior of individuals pursuing their self-interest under conditions of competition. This theory is the crown jewel of \textit{The Wealth of Nations}, and it became and remains to this day, the foundation of the theory of the allocation of resources…Smith’s construct of the self-
\end{itemize}

\textsuperscript{14} Ibid., 182–3.
\textsuperscript{15} Adam Smith, ‘History of Astronomy’, \textit{Essays on Philosophical Subjects} (Indianapolis, 1982; 1776), 46.
\textsuperscript{16} \textit{Theory of Moral Sentiments}, 183–4.
interested individual in a competitive environment is Newtonian in its
universality.\textsuperscript{17}

Sigler’s claim of a ‘Newtonian universality’ is precisely what Smith’s ‘History
of Astronomy’ denies: so believable is Newton’s system to Smith as the
consummation of the development of astronomy, that
even we, while we have been endeavouring to represent all philosophical
systems as mere inventions of the imagination, to connect together
the otherwise disjointed and discordant phenomena of nature, have
insensibly been drawn in, to make use of language expressing the
connecting of this one, as if they were real chains which Nature makes
use of to bind together her several operations.\textsuperscript{18}

Newton’s theories present themselves \textit{as if they were real}, but that reality,
like those of all the preceding systems, is founded only their appeal to the
imagination. Smith’s ‘Newtonian universality’ is, according to Smith himself,
just as much an illusion as every previous claim to have produced a ‘universal’
truth—it is simply a ‘deception which rouses and keeps in continual motion
the industry of mankind’ and of which he has not yet been disabused. The
attempt to make economics a mathematical science based on the notion that
\textit{homo sapiens} is really \textit{homo economicus}, and that the actions of such creatures
can be charted with the same precision as Newton’s charting of the forces
that govern the planets, ignores the ‘ground’ upon which Smith built his
system—the inevitably deceptive ground of the imagination.

If the imagination is the real motor of economic development then
‘culture’, rather than being the \textit{outcome} of wealth, may be its foundation. This
was the argument of David Landes’s \textit{The Wealth of Poverty of Nations}:

If we learn anything from the history of economic development, it is
that culture makes all the difference. (Here Max Weber was right on).
Witness the enterprise of expatriate minorities—the Chinese in East
and Southeast Asia, Indians in East Africa, Lebanese in West Africa,
Jews and Calvinists throughout Europe, and one and on. Yet culture,
in the sense of inner values and attitudes that guide a population,

\textsuperscript{17} Quoted Jerry Evensky, \textit{Adam Smith’s Moral Philosophy: A Historical and Contemporary Perspective on Markets, Law, Ethics and Culture} (Cambridge, 2005), 245–6.

\textsuperscript{18} Adam Smith, ‘History of Astronomy’, 105.
frightens scholars. It has a sulfuric odor of race and inheritance, an air of immutability.¹⁹

The idea may have frightened ‘scholars’ but it did not frighten politicians—what else was the Thatcherite campaign but an effort to change the ‘culture of decline’ in Britain? What else was ‘Cool Britannia’ in the Blair years but an effort to re-align the British economy with its most successful cultural export—popular music? What was telling in both cases, however, was that they were attempts to bring the national culture into line with the demands of wealth creation, with the ‘universal’ demands of economics, rather than an effort to make economics acknowledge the value of culture. Even Landes assumes that all his expatriate groups share the same economic motivations, but if ‘culture makes all the difference’ because of the ‘inner values and attitudes that guide a population’, then the difference in different cultures’ attitudes to ‘wealth creation’ and to the satisfactions that it brings must be as important as their similarities. Here there is a telling difference in the two places where Smith uses the image of the ‘invisible hand’ as an explanation of how individual self-interest turns into social benefit. In The Wealth of Nations Smith writes:

Every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it… he intends only his own gain, and he is led… by an invisible hand to promote an end which was no part of his intention.²⁰

‘Gain’, however, was not Smith’s concern in the Theory of Moral Sentiments but ‘happiness’:

They are led by an invisible hand to make nearly the same distribution of the necessaries of life, which would have been made, had the earth been divided into equal portions among all its inhabitants… These last too enjoy their share of all that it produces. In what constitutes the real happiness of human life, they are in no respect inferior to those who would seem so much above them. In ease of body and peace of mind, all the different ranks of life are nearly upon a level, and the beggar,
who suns himself by the side of the highway, possesses that security which kings are fighting for.\footnote{Smith, \textit{Theory of Moral Sentiments}, 184–5.}

The ‘invisible hand’ that distributes ‘happiness’ does so on a very different basis from the one that distributes ‘gain’, though for Smith the value of a progressive economy, one still ‘advancing to the further acquisition, rather than when it has acquired its full complement of riches’, is precisely that it provides conditions in which ‘the condition of the labouring poor, of the great body of the people, seems to be happiest and most comfortable’.\footnote{Smith, \textit{Wealth of Nations}, I, viii, 185.} In such an economy ‘happiness’ and ‘gain’ seem to coincide but only as long as people are not obsessed with ‘gain’, because those who are will inevitably discover ‘that wealth and greatness are mere trinkets of frivolous utility, no more adapted for procuring ease of body or tranquillity of mind than the tweezer-cases of the lover of toys; and like them too, more troublesome to the person who carries them about with him than all the advantages they can afford him …’\footnote{Smith, \textit{Theory of Moral Sentiments}, 181.}

The separation of ‘happiness’ from ‘gain’ is crucial to Smith’s conception of human beings as more than simply economic actors—creatures who act not merely on the basis of their personal gain but on the basis of sympathy, altruism or justice. Much modern economic theory, on the other hand, has to insist on the fusion of ‘happiness’ and ‘gain’ in order to be able to treat each individual as a rational calculator of his or her own personal benefit—what is known as the ‘rational utility maximization hypothesis’.\footnote{For the history of this theory, see Ken McCormick, ‘An Essay on the Origin of the Rational Utility Maximization Hypothesis and a Suggested Modification’, \textit{Eastern Economic Journal}, Vol. 23, No. 1 (Winter 1997), 17–30.} ‘Utility’ here is a catch-all for the satisfaction which someone gets from spending money on particular goods and services and, as in its historical predecessor, Jeremy Bentham’s utilitarianism, it has to assume not only that human beings shape their lives by making rational rather than irrational choices about what will make them happiest or provide them with most gain, but that there is some calculable currency for measuring different kinds of happiness—otherwise we are trapped in Bentham’s famous pronouncement that ‘pushpin is as good as poetry’. These mathematical models of human beings as rational calculators—George Stigler’s model of the rational consumer requires that, ‘(1) His tastes are consistent; (2) His cost calculations are correct; (3) He
makes those decisions that maximise utility’, all of which leaves no room for past choice to change present tastes or for changing tastes to change cost calculations—effectively make economic values the only values relevant to human choice: ‘happiness’ equals ‘gain’. As Amartya Sen has argued, ‘the economic theory of utility, which relates to the theory of rational behaviour’ assumes that an individual can be summarised by ‘one preference ordering … [which] is supposed to reflect his interests, represent his welfare, summarize his idea of what should be done’, as well as ‘describe his actual choices and behaviour’—‘a person thus described may be “rational” in the limited sense of revealing no inconsistencies in his choice behaviour, but if he has no use for these distinctions between quite different concepts, he must be a bit of a fool’.26

For Smith, on the other hand, choices are made not on the basis of rational economic calculation but on the basis of their aesthetic appropriateness: his ‘impartial spectator’ judges actions in terms of ‘the sentiment or affection of the heart from which any action proceeds’, and makes that judgment on ‘the suitableness or unsuitableness, upon the proportion or disproportion, which the affection seems to bear to the cause or object which excites it, depends the propriety or impropriety, the decency or ungracefulness of the consequent action’.27 The appropriateness of an action is not in its rational calculation but in its aesthetic ‘proportion’, its ‘gracefulness’: morality depends, like economics and politics, on the values of the imagination, and appropriate judgment depends on training the emotions through experience of the arts, which is why ‘the idea of utility of all qualities of this kind, is plainly an after-thought, and not what first recommends them to our approbation’.28

The emphasis on the role of the imagination rather than reason in economic development is, in Smith, an epistemological one—as in Hume it is imagination rather than reason that shapes the world we experience—but it is a view which has acquired a contemporary economic relevance. Richard Florida’s work on ‘creative cities’ and ‘creative regions’ has underlined the extent to which people increasingly do not choose their jobs on the basis of traditional economic incentives but on the basis of cities which provide

28 Ibid., 20.
them with a ‘creative’ environment. Florida’s research suggested that rather
than being ‘rational utility maximizers’, people were not ‘making the career
decisions or geographic moves that the standard theories said they should:
they were not slavishly following jobs to places. Instead it appeared that highly
educated individuals were drawn to places that were inclusive and diverse’.\(^{29}\)
Rather than corporations choosing locations which maximised their profits,
they were having to set up where people were choosing to live: cultural choices
were driving economic activity rather than economic activity generating
culture. Consequentially, however, the concentration of creative people in such
cities was itself encouraging further economic growth, especially in the new
industries which did not depend on a substantial material infrastructure—the
‘creative’ industries that have been the product of digital technology, as well as
the arts activities with which people in these industries interact in search of the
‘original’ ideas that keep creativity on the move. The creative cultures of these
valued cities, according to Florida, have become the dynamos of the next wave
of technological and social development:

the Creative Centers are not thriving for such traditional economic
reasons as access to natural resources or transportation routes. Nor are
they thriving because their local government have gone bankrupt giving
tax breaks and other incentives to lure business. They are succeeding
largely because creative people want to live there. The companies
follow the people—or, in many cases, are started by them. Creative
Centers provide the integrated eco-system or habitat where all forms of
creativity—artistic and cultural, technological and economic—can take
root and flourish.\(^{30}\)

Culture, and the imagination by which it is inspired, is the foundation rather
than the outcome of economic activity.

Such a possibility is fundamentally at odds with the economic tradition to
which Smith, however inadvertently, gave rise. Even Smith found it difficult to
incorporate the arts into his system:

There are some very agreeable and beautiful talents of which the
possession commands a certain sort of admiration; but of which the
exercise for the sake of gain is considered, whether from reason or

\(^{29}\) Richard Florida, Cities and the Creative Class (New York, 2005), 33.
\(^{30}\) Ibid., 35.
prejudice, as a sort of public prostitution. The pecuniary recompense, therefore, of those who exercise them in this manner must be sufficient, not only to pay for the time, labour and expense of acquiring the talents, but for the discredit which attends the employment of them as the means of subsistence. The exorbitant rewards of players, opera-singers, opera-dancers, etc., are founded upon those two principles; the rarity and beauty of the talents, and the discredit of using them in this manner.  

An art whose product disappears with its performance can have no ‘real’ economic value. The price it commands is a function of its rarity but rarity is only the occasion for a display of opulence which is a symptom of moral decadence: ‘It seems absurd at first sight that we should despise their persons and yet reward their talents with the most profuse liberality. While we do the one, however we must of necessity do the other’. As J. K. Galbraith has commented, ‘the distinction between productive and non-productive occupations has no place in modern economics’ but, nonetheless, ‘the manufacturer of boots and shoes and electronic gadgetry continues to be thought more useful, more economically beneficial, than the services of the singer, artist or scholar’. The economics of art do not make sense within the tradition of economic theory as it developed from Smith. So when aesthetic objects are traded, they have to be assumed to operate outside of the principles that govern the rest of economic life. Ricardo, for instance, was forced to conclude that the rules of exchange applied only to ‘reproducible’ items and not to ‘rare statues and pictures, scarce books and coins, wines of a peculiar quality, which can be made only from grapes grown on a particular soil’. The economic returns which some aesthetic objects generate—those pop songs produced with only a few minutes’ labour but generating vast sums in royalties over a long period—defy Smith’s conception of value as a function of the labour required to produce it, and when the aesthetic is performed simply for its own sake it is beyond the scope of economics altogether—like the celebratory songs in Burns’s ‘Love and Liberty’:

31 Smith, Wealth of Nations, 209.
32 Ibid.
34 Ibid., 83.
For a painting viewed in a public gallery there is a possible assignable cost (the cost of the institution, its staff, the purchase of the artwork, its restoration and so on) but there is no way that these costs can be made an index of the aesthetic experiences it produces or their long-term effects. The aesthetic is the realm of freedom, of liberty, precisely because it cannot be costed. That was why, according to Pierre Bourdieu, art in the modern world is the economic world inverted:

…in the most perfectly autonomous sectors of the field of cultural production, where the only audience aimed at is other producers (e.g. Symbolist poetry), the economy of practices is based, as in a generalized game of ‘loser wins’, on a systematic inversion of the fundamental principles of all ordinary economies, that of business (it excludes the pursuit of profit and does not guarantee any sort of correspondence between investments and monetary gain), that of power (it condemns honours and temporal greatness), and even that of institutionalised cultural authority (the absence of any academic training or consecration may be considered a virtue).35

For Bourdieu, the value of art as art depends precisely on its defiance of the laws of normal economic value, because the less comprehensible it is to the mass market—that is, to a real economic market—the more successful it is as art to a small group of cognoscenti who measure their own worth in terms of the ‘distinction’ of their (superior) taste.

Bourdieu’s opposition between art economics and business economics is, however, one which has been increasingly disrupted by businesses which do

not conform to the traditional business model of a company with a balance sheet of tangible assets. The most successful companies in our modern world now depend on assets which are largely ‘intangible’ and so, in a serious sense, impossible to measure by traditional forms of valuation. The assets of Microsoft or of Google, like those of the pop culture whose style they mimic, depend more on their organisational culture than on what they ‘own’, because even where they own patents, copyright or other forms of intellectual property, the valuation of those assets depends on a calculation of future technological change which is, quite literally, imponderable. No one could have predicted that by treating software as of no value and outsourcing the operating system for their PCs to Microsoft, IBM would have given away its most valuable possible asset—any more than one could have predicted that a search engine which Microsoft thought of as of no significance would have positioned Google to threaten Microsoft’s dominance in PC software. The relationship of assets to profits has been inverted: it is ideas and the culture of ideas which now drive economic performance. Creativity in these companies is not a once-and-for-all-time innovation that is endlessly reproducible (like the original Ford car): creativity is the very basis of every day’s activity within the company and such creativity can be sustained only by a cultural environment which both attracts and encourages creative people. Culture is the basis and not the consequence of wealth creation.

If this is the case, then the current recession requires, perhaps, that governments support the creative industries rather than financial services or manufacturing as the route to economic recovery—or rather, to social recovery. For creative environments are ones in which the primacy of the economic as ‘rational utility maximization’ has been replaced by a different value system, one based not on the quantity of production but on the production of quality. Some politicians have believed that the qualities of ‘creative cities’ could simply be reproduced in different environments but one of the lessons of Florida’s work is that the ‘quality’ that attracts creative people is precisely the uniqueness, the non-reproducibility of a location. If this accurately describes the development of modern economies, what role does the nation state have in the development and the sustaining of that distinctiveness which attracts creativity? This is not just a matter of support for the currently fashionable ‘creative industries’ because, in Florida’s model, creative industries can only thrive in environments that are themselves rich in creativity. The wealth of the nation, perhaps, lies in the very riches which traditional economics treated as irrelevant to wealth creation.
The changing relations of ‘culture, the arts and the wealth of nations’ are issues which the contributors to this volume were invited to address in two conferences of the Irish-Scottish Forum which met in Aberdeen in November 2007 and in Dublin in April 2009. The dates are significant, because the two events straddled the crash of 2008, already looming when we met in Aberdeen, already producing deep economic crises on both sides of the Irish Sea by the time we met in Dublin. In Aberdeen it was possible for Sean Dorgan to assert the continuing validity of the Celtic Tiger model of an economy which could ‘Boom and Bloom’; in Dublin it was clear that small nations like Ireland and Scotland did not have the financial resources to bail out banks which had become, like the Royal Bank of Scotland, larger economic entities than the economies of the country in which they were based. It may be that the era of neoliberal deregulation foundered in the global recession of 2008, partly by the commitment of economists and politicians to a model they claimed derived from Adam Smith. Their relentless desire to increase the ‘opulence’ of the nation ignored, however, the other dimension of Smith’s theory of ‘the wealth of nations’—one that measures their wealth in their sociability, in their mutual sympathy, and in all the moral and aesthetic virtues to which ‘rational utility’ cannot attribute a value. It is a lesson that ran through our discussions and through the presentations on the cultural infrastructure in both countries.

My thanks to John O’Hagan of Trinity College for organising the Forum that was held in Dublin and to David Dickson, also of Trinity College, for his support in making the event possible. And my thanks to all the contributors, not only those represented in this volume but those who, for various reasons, made their contributions only in the discussions on the day. I hope that our endeavours are a small but perhaps not insignificant contribution to the emergence of an arc of creativity that will link Dublin and Belfast to Glasgow, Edinburgh and Aberdeen as a ‘creative region’ with shared histories and a common set of cultural values on which we can creatively build our futures.

Cairns Craig, 2009
The Boom is economic, the Bloom is culture. Although I’m far from being in any way an expert on the subject I’m a huge believer that culture does have an influence on economics.

We all quote people of whom we approve, and purely by chance I had picked out a few things using Google on Robert Crawford, and on the plane on the way over this morning I realised that one of the things I’d picked out had a great quote that I really like; it was Robert quoting Carol Craig quoting David Landes, and each approving of what the other had said. What David Landes said in *The Wealth and Poverty of Nations*, was that if we learn anything from the history of economic development it is that culture makes all the difference, and I hope that that’s what I’ll show through various assertions that I make here.

To start, though, just with economic growth, you’re familiar with the fact that we’ve had a fantastic run in economic terms for twenty years since 1987; that average annual growth rate since 1987 has been 6% a year, particularly peaking in that 1994 to 2000 period at an average growth rate of 9% a year. But really from the 1970s onwards, although that first seven or eight years in the 1980s were really tough—we were a little ahead of EU generally and US but really tough—and it was that really tough period that caused the decisions to be made in Ireland that actually have been the basis for a lot of the success since then.

But it didn’t all start then: in fact, it started 50 years ago because it was in 1957 that the first decisions were made in Ireland to be an open and competitive economy rather than a self-sufficient economy, which was the misguided belief of the generation who achieved independence in 1922. That decision in 1957 to open up, to go out into the world and try and get investment from the world and to be competitive in it was driven by the failure of Ireland to grow and develop after the Second World War—we missed the post-war boom in Europe. So from 1957 onwards the first decisions were made to open up, to have zero tax on export sales; from the 1960s our aim was to get into Europe—though it took until 1973 as it did with the UK. The single market
was something that Ireland was ready for and really turned to advantage—we had competed strongly with Scotland, Wales and with other countries through the 1980s but not terribly successfully, but when the single market programme in 1992 came along we actually performed really well. From 1987, because of those years of crisis through the 1980s, people were forced to think, what do we need to do here? And sufficient people, not only in government but in the employers’ organisation and, also, particularly in the trade unions, came to recognise the need to change the model, to change the way we did things.

Now in some respects the trade union movement in Ireland was influenced by the experience of trade unions in the UK under Thatcher, and by the fear that unionism was going to be irrelevant. It was therefore willing to come to the table but it was also driven by the public need for Ireland to be successful. Because in certain years in the 1980s Ireland lost 1% of its population through emigration, and certainly lost whole university classes year after year, the public will in Ireland said, we will not tolerate our children having to leave Ireland out of necessity rather than out of choice.

That drove a series of decisions, and produced the process of social partnership—which on the face of it might have been about wage moderation or industrial peace—but its real impact was in producing a common vision of what Ireland could achieve, what the real issues were, and agreeing on some hard choices that might be taken in order to achieve progress—such as cutting back on certain aspects of public expenditure.

So social partnership was really important, and has been repeated over twenty years in various manifestations; sometimes the immediate justification changed—originally it was about job creation and national recovery, later became economic and social progress, at a certain point the focus was transport infrastructure, then housing, each issue dealt with in a partnership context.

Economic stability had to be achieved, because around 1987 we had a national debt which represented 120% of GNP and a very high proportion of income tax was being used purely to service debt. Indeed, 90% of income tax receipts were just servicing debt, producing increasing budget deficits and all the rest of it—that 120% of GNP is now back down under 30%, and at this stage down to around 25%.

Ireland also benefited from demographic gains. Unusually, in Ireland, 40% of the population is aged 25 or under, while in practically every other country in Europe it’s 30%, so Ireland had a definite demographic advantage, one that we are sustaining—which means that although we’re now providing for pensions they are a smaller proportion than for most other countries.
But a crucial element was low corporate tax; it’s now 12.5% on corporate trading profits, it used to be zero tax on export sales and after joining Europe it became 10% on manufacturing and some international services, still a very powerful and attractive incentive for investment—both Irish investment and inward investment. Of course, foreign direct investment played a huge part and particularly through the 1990s, because it was really the driver of those huge growth rates through that period.

An aspect that’s sometimes understated in Ireland is actually the performance of Irish managers and Irish management; managers who learnt global requirements and really high standards from those companies that came in. As a consequence, Irish management had the capabilities to meet those global needs from world leading corporations, and that provided a fantastic reference for the next investment and the next transformation that needed to happen. Certainly the export focus and global orientation that has grown up from that foreign direct investment, means that Irish management is now always thinking outwards. In the context of a large national market it may be possible to focus inside your own boundaries but with such a small national market we have to think always of a global market.

These are some of the things that contributed to Ireland’s economic success over the past 20 years.

In terms of inward investment we have tended over time to develop deeper expertise in the life sciences, ICT, and in financial and international services, and that’s where the inward investment came. One could add to that the food industry, construction, and music and the cultural industries as indigenous developments, and they were certainly powerful and strong and growing through the 90s. But increasingly for foreign direct investment we will continue to rely on the expertise which has built up in these areas, and which is a huge attraction in itself for further investors. We are moving progressively through that series of activities, starting in manufacturing and technical support, and we are moving to the more strategic, more significant and more high value activities, the activities that can be more deeply rooted and that by broadening the base of the existing multinational investments offer the potential to transform to higher value over time. So this is increasingly the horizontal type of activity which needn’t be sectorally focused, but we will still be working on sectoral activities too.

But what wins investment, particularly in the mobile international market, is down to people, skills, expertise, and to the operating environment—the ecosystem as the Americans call it—which is really everything around the
companies. But we also see this as a competitive factor and it’s where culture begins to impinge—speed, agility and flexibility as defining differences. So it’s not just the physical infrastructure you have it’s the mindset, the ability to constantly change, to move, to pick up the nuance quickly and to go with it—in my view that’s a defining difference for Ireland, and we get it as feedback from investors.

So the three legs of the stool are people and skill, the operating conditions and (we’re not hiding it) low tax, but a stool never stood on one leg and it couldn’t stand purely on people and skills, nor could it stand purely on operating conditions and it can’t stand purely on low tax, but put together they’re very powerful and very steady as a basis for development.

As far as a people and skills are concerned, we were slow to invest strongly in education, but we did from the 1960s and we now have the highest endowment in the world of science and engineering graduates in the age group 20 to 30, which is a pretty powerful age group to have them in. Of every 1,000 people in Ireland aged 20 to 30 in 2000, 16 was the rate for science and engineering graduates compared to 8.6 in Japan, an EU average which is under seven, US is just over six, Germany where they graduate much later is under five; now China and India have many, many more science and engineering graduates, but in relative terms Ireland has the highest endowment in the world. Now, that’s useful and it’s powerful but it’s not the only attribute of the Irish education system.

In the really dark days in the 1950s and 60s I heard the phrase, there isn’t much we can give our children but we’ll give them the best we can, we’ll give them a good education. So in Ireland there was a general sense of the value of education and that goes right through the political system into political choices and it also means teachers are valued and that parents do pay attention to what goes on in schools.

A second important feature in education has been the broad curriculum to age 18, seven or eight subjects, a science subject, a history subject or whatever; and the third thing, when we started investing strongly in education and when we established the regional technical colleges, which have become institutes of technology around the country, they were really strongly related and connected to local business and we see it repeatedly, even today, that they are highly responsive to investor needs.

Abbott brought two diagnostic plants to Ireland in the last four or five years; they went to their two local institutes of technology and put on training courses for them with certification, precisely to Abbott’s needs and for
their business needs, and those two diagnostic plants have 70% third level graduates employed in them—they’re manufacturing plants but that’s the kind of manufacturing we’re now attracting.

So those various factors and others are hugely significant and it’s not just the spending in education because in fact we’re no better than the OECD average in our spend, it’s the productivity and connectiveness of that education.

I mentioned the ecosystem, and the elements we identified were infrastructure scales, legislative policy, business environment, knowledge and research, and then how these communicate and connect. Then there are all the players—very often public sector players or private providers—on each of those elements, and we as an agency don’t control or can’t really drive every element but as an agency we aim to influence every element and to have every one of those institutions in that ecosystem understanding where we’re trying to go and where we think Ireland should be trying to go.

It’s not written down anywhere and this is the really interesting thing, I think, in relation to the Irish culture, the Irish ecosystem—there is actually no grand plan; you can’t find it in any of the national development plans or anything else. But there is sufficient common understanding of where we’re trying to go and what the elements are that matter to investors that we can actually move things through these various parts of the ecosystem, so that we are advancing. It’s quite a challenge, but it actually ultimately comes down to the shared vision, the Team Ireland spirit, the belief that we’re going somewhere and that it’s worth everyone contributing to it.

It was summed up very nicely for me a year or two ago; Janet Napolitano the Governor of Arizona came over to Ireland, and she went back and wrote an article in the Arizona Republic and said, ‘in Ireland even the taxi drivers understand the need for investment in research and development’. I said, I wouldn’t have trusted a taxi driver on that issue! But it’s an indication that there is a common view and that it does penetrate the public discourse and therefore it’s supporting what we’re trying to achieve.

So, what is this saying? Friedman’s thesis is that you can do things anywhere if you’ve got all of those things together and in this respect the world’s getting flatter; China can do it, Malaysia can do it, Singapore can do it, Puerto Rico can do it, any state can do it. Whereas Florida says things happen where you have the creative classes coming together, where there’s an openness, a creativity, where there’s a tolerance level—and actually they’re both true... I suspect in Ireland there’s a fair bit of both, we’ve got the Friedman requirements and we’ve got the Florida requirements, and I think in a way that’s summed up
when you begin to look at the history not purely from an economic statistics point of view. But when did it start happening and why did it start happening? People in Ireland recognise that the first time we went to the World Cup in Italy in 1990 was the time we really started having a party together; we had fabulous nil all draws! We drew nil all with Romania and David O’Leary scored the penalty goal that got us to lose by only one to Italy in the quarter final and we had another party, and curiously enough we’ve almost forgotten that we beat England in the European Championship in 1988, we had such a fabulous party in 1990!

And then the U2 thing and Riverdance which came out of Eurovision; winning Eurovision wasn’t really all that big but the fact that we made Riverdance out of it was great. And the Cranberries were huge in the States although nobody knew them in Europe, and there was the Roddy Doyle thing, The Commitments, the recognition that even if you were poor you could be fashionable—and as a result Dublin became really fashionable, and the kids flocked in to Dublin for parties of all sorts from around Europe, and they’re still flocking in, so that half of Google’s 1,500 people in Dublin are actually Europeans who are in for a few years.

The economic factors that were contributing to this upsurge included Ryanair, which was smallish then but it was creating a ripple and it was helping build the tourism infrastructure. For instance, in golf tourism Scotland was way out in front and it was only in the 1990s that Ireland began to compete in golf—we built lots and lots of courses and it’s taken off to such extent that we now outdo Scotland in golf visitors.

What is fascinating is the extent to which the economic boom went along with rapid social and political change in Ireland in the 1990s. Clearly the peace movement in Northern Ireland was helpful, but when you recognise in how short a period what really was a very strong culture of church and religion was suddenly abandoned by people—and I don’t think it was because there were scandals in the church, rather it was because it was not as rooted institutionally as had been believed. There are those who say—and I don’t agree with it—that in some respects the loss of religious involvement also meant we got a monkey off our back; now, I think that’s rather overstating it, but I think there are some really interesting questions about the speed of change in what was not much more than five years in the early 90s. Alongside the phenomenal economic growth things that were inconceivable in the 1980s in terms of divorce, of gay rights or abortion (which is still constitutionally prohibited but the courts have ruled it may be appropriate in certain circumstances).all became accepted.
In a way that change accompanies another point that I think has been valuable in Ireland, and that is the tolerance of ambiguity; I think the extent to which those changes happened reflected an underlying aspect of Irish culture which I think is quite distinctive—let’s call it the ‘fuzzy shared vision’. If you ask 100 people in Ireland in key positions what the vision is you’ll get a different definition of it but it’s reasonably aligned, and we’re quite tolerant of the fact that it doesn’t have to be precise and that Bertie Ahern can give one version and I’ll have another and somebody else in some institutional setting will have another of a different perspective: we may all see it from our own perspectives but actually they remain very close. It is common, but it’s fuzzy.

At no point has anybody written down what precisely we will have achieved by 2010, 2015 or 2020; we don’t actually believe in those predictions, but we know out there it’ll be better, it will have a higher standard of living, it will be more inclusive, we won’t have solved all problems but we will have advanced in various fronts. The times when we tried to achieve some precision in programmes for economic expansion we realised that, actually, these things didn’t work, and detailed planning doesn’t work either—particularly detailed centralised planning doesn’t work.

The Director General of the Swedish Council came in to me about a year ago and he said, my job is to promote the image of Sweden abroad so I would like to understand how you did it, and who did you consult? I said, well we didn’t actually consult anyone, and he asked, why did you not consult anyone? I replied, well we knew it would be okay, and that was a genuine reaction; all of us together knew what we are doing for Ireland The tourist board might be doing something else, the Department of Foreign Affairs were a little bit different: they were never coordinated but they were actually aligned. So that’s certainly very strong, the tolerance of ambiguity, and some of the international surveys show we are very strong on ambiguity; it’s summed up for me by the fact that we wrote it into the constitution when we defined the national territories as the whole island of Ireland, although it’s only part of the island where the laws of Oireachtas Eireann shall run, so it’s whichever you like yourself.

Hofstede and others have suggested that if you tolerate ambiguity you don’t need detailed rules, if you don’t tolerate ambiguity you have to have detailed rules for the organising and the running of society. We don’t like detailed rules, we don’t like detailed planning, we don’t believe in that, and that tolerance of ambiguity I think is actually a competitive advantage because, in the world we are now in, there are huge masses of information, enormous
fluidity and flux in the way corporations organise their global affairs, and it’s possible because of liberalisation of trade and new technology and the fact that you can break up the value chain and do it anywhere. All that possibility you can only live with if you tolerate ambiguity and uncertainty, so I think the world will want more tolerance of that type and I think we have strengths in it.

The other key strength, of course, is the value of relationships and connections, and the fact that we tend to work so much through knowing the person who will solve the problem rather than knowing the system or the process that will solve the problem. It’s very much about personal connections—we have systems, processes and procedures and all the rest of it, but if they’re not working we’ll ring the person who’ll solve it for us. It’s all about relationships and connections, and that’s clearly helped by the small size (4.2 million people) and the informal networks that that makes possible—the use of contacts rather than a central plan. We do have something called a national development plan but really it’s only a framework which says there will be envelopes for various activities and those envelopes will be drawn on as need arises and as particular pieces of infrastructure are proposed for development, but it’s not fixed, it’s flexible and it will change. There’s no close coordination; there are massive agencies in the Irish system, probably too many, but there’s no coordination, and people will say, there must be coordination, but every one of us rebels against it because we know that it won’t help—I’ve been driven mad by bureaucrats who say we must coordinate, because the truth is that’s only a constraining process, whereas so long as we’re aligned and we’re moving together and maintain coherence—and coherence is important—then we can achieve things.

So it really does tend to come back to creativity, agility, speed and flexibility; we see these as defining competitive advantages and they’re certainly in the culture, they’re part of the organised programming of the mind—as Hofstede calls culture—and I think culture is really how we do things and I believe they are innate. In this context, I can’t resist a reference to the Celtic mystery, because I know in Scotland you have had these issues or debates about whether one part of the projection of Scotland is consistent with another, and as I said a little earlier we don’t have that problem—we’re happy to handle the fact that various things can be done that aren’t necessarily mutually consistent. There is a now famous image of W B Yeats, part of the Le Brocquy Heads series, and we have been using these Heads in our advertising; the caption is ‘The Irish Mind’ and it’s really capturing all of the culture, the ecosystem, our way of approaching things and saying, that’s what defines us and that is a
competitive advantage. ‘The Irish Mind’: it was Richard Kearney of UCD and Boston College who wrote it up in this way: in earliest times the Irish mind remained free in a significant measure of the linear, centralising logic of the Graeco-Roman culture—and it’s not about abandoning order for disorder, it’s a different type of order—I love that idea and I think that really is us. It can be unsettling for people, but that’s actually what we think can make a difference.

The other things, the practical things are important, and if they’re not right nothing will work, but we actually hear it in feedback from our investors: the Chairman of Intel is quoted in Tom Friedman’s book *Lexus and The Olive Tree* as saying, Ireland is easy—I’m paraphrasing—easy to deal with government, easy to come in and out, easy to get things done; it’s easy partly because there’s nothing absolutely fixed in Ireland. Intel demands things to be done their way and we do it their way, but we can add a bit, we can tweak it a bit, there doesn’t have to be an absolute about anything—and it’s a different kind of order. That different type of order really does demand a different approach; the fact that so much is fluid, is flexible, that companies can reinvent themselves in all sorts of ways, that there can be new business models and, as we know through our very rapid development, we have new expectations, new aspirations. What people wanted 20 years ago is different now and it’s not about having a job, it’s about having an intellectually challenging and satisfying job.

All of those factors certainly change how we approach the market for inward investment and it changes how the Irish economy works in ways in which I suspect haven’t really been captured yet, and certainly we believe that what we’re doing and what now needs to be achieved is very much placing a premium on flexibility and responsiveness.

That’s partly addressed by Research and Development and there’s been huge investment by the state in R&D in Ireland since 2000 through Science Foundation Ireland, whose mission is to bring world class research into Irish universities, to grow the talent that’s there, but particularly to go for excellence through international peer review. In a way, it is doing for the universities what the IDA in a previous generation did for the business sector. Practically the sole criteria for the Science Foundation is excellence, as it is for all the best research assessors around the world, and the challenge and the opportunity for Ireland is that we can connect research excellence to excellent business. That in a way is what IDA has been trying to do for the last few years, to see that there’s no deeper capability in Ireland and to tell the world about that and to understand the business needs out there in that world and to match those business needs out there with this deeper expertise and capability.
So there’s an investment in R&D which we’re now taking on, and which is a change in our perspective—it is a bit more intangible, nebulous and a bit more difficult, but I believe we’ll actually achieve it because we’ll tolerate some of the intangibles and ambiguities in it.

I’m asked regularly, what’s your biggest fear? My biggest fear is that we don’t move quickly enough; it’s not that we’ll be too costly—that’s temporary or it’s solvable—it’s actually to be higher value, with deeper expertise, being in front of the competition rather than beating them on price—so it’s speed and the pace of global change and our speed of transformation.

One of the challenges which I know is also a perennial challenge for Scotland, is regional balance; through the 1990s Dublin gained an enormous amount of investment, it was the most attractive location in an attractive country—it had one to one and a half million people, four universities, an international airport, all the business services that were deep and globally oriented. The challenge for us is to build other centres in Ireland that can go close to that; Cork has developed very well in the past five years in particular, the airport is growing, the university is deepening its expertise, and so on, but Cork is only half a million relative to Dublin at one to one and a half million, depending on how wide you throw the circle. Galway has taken off primarily because it has become a centre for the medical technology cluster, the Boston Centre, Celestica Electronics and the Irish companies that grew up around them and the university connection to them.

The challenge will be to repeat that in a total of nine regional gateways, as we call them, but some of those gateways are towns of only 50,000 people and it’s hard to be a city region based on a town of 50,000. But the competition of the sort that we’re now facing, high value, looking for expertise, differentiated globally, does require an urban base and a strong urban base with the depth of business services and expertise that goes with an urban base. So we have a national spatial strategy and we keep saying, the competition is not between one town or another, it’s between this region competing against some of the best city regions in the world for investment.

We’ve had an infrastructure deficit; we’re catching up but that’s one of the key issues. How well we add to and deepen skills and expertise matters, costs do matter, and I have to say that because every manager in every multinational corporation or in every Irish corporation are continually screaming it, but it’s not the only criteria and it can’t be the basis on which we win in the future.

And we have some concerns about Europe, particularly in tax harmonisation and a common consolidated tax base. These are totally nonsensical things that
would take forever to do, but if they ever happen it will really damage the sovereignty of the member states because it will pull things to the federal level, and even in the US, which is the most completely integrated market in the world, there’s tax competition between states. Such proposals are really crazy because Europe is not an island in a global economy and it’s not possible to isolate it from Switzerland which really competes with the rest of Europe.

But the biggest challenge in many respects is maintaining flexibility but also sustaining the hunger, because it was the hunger which took us out of the dark days of the 1950s to the 1980s, and it’s possible to conceive of a country getting fat through 20 years of success and not having a hunger. But it’s the hunger that will drive continued development, continued success, success which has to be driven in the face of global competition—because if we don’t do it others will.

So that is how we see the challenges. But let me finish with the Le Brocquy heads and the text we’ve been using:


That’s a text we’ve been using and you Scots may say, ah it’s not for real, but we believe it which is why we project it; we believe it and we think our investors also believe it, which is why we project it. It’s interesting and it’s much softer than the older things like, we’re cheaper, we have more people, we have better education: what it says is actually we’ve a smarter culture and, sorry, I’m in sales pitch here, but that’s what we do! It’s actually the connection of culture and economics: that’s how we see it.

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1 In a new marketing campaign called the “Irish Mind”, the IDA took out a full-page advert featuring Le Brocquy’s well-known portrait of Bono’s head in the US edition of the Wall Street Journal. For two years or more, the adverts will also run in publications such as Business Week, Time, the Economist, Forbes and Fortune. (Irish Times 26 May 2006)
Awaiting the Inevitable

Robert Crawford

Like Sean Dorgan, I do believe fundamentally in the idea that economic change is driven in imperceptible ways by changes in culture.

I took a taxi to the train station in Glasgow and the taxi driver was saying that he felt better about himself than he had ever felt, there was business in the city now, and although I lived in Aberdeen for a couple of years, and I enjoy the city a lot, I have to say that at the moment Glasgow is just one of the most exciting cities to be in anywhere, and I’ve lived in a few. So I think there is a significant cultural change going through Scottish life and I really welcome that.

I’m going to make a declaration; I have never felt British, never. I have never felt emotionally British, and I don’t know why since my parents were fairly apolitical. The little town I lived in was visited by the Queen when I was seven or eight and even then, as people got understandably excited that Her Majesty was visiting, I couldn’t identify with that, so something in me was different. As a result, I have never had to struggle with the emotional ties of losing the Union because I never felt that was important. But I do absolutely respect people who are emotionally unionist and who revere and respect the culture, the custom, the heritage, the shared experiences, the fighting in wars together, familial ties, the monarchy, the flag—all of that to me makes perfect sense and I have no problems in respecting the views and values of those who feel that way. In fact it seems to me that is a lot more respectable argument than the economic argument which has become the centrepiece of so much political debate in recent years: in fact, I believe there’s not a fig leaf of decency about the economic argument because at the heart, at its core, it comes to this; in Scotland you’re deficit junkies, you’re subsidy junkies, you can’t do it on your own and therefore you couldn’t possibly survive the experience and movement to independence—that is a testament of defeat and defeatism; if it’s true we should stop it, and if it isn’t true people should stop repeating it.

Now, for what it’s worth, I’ve probably seen more studies—public and private—on this subject than anyone else in the country, and what I can
tell you is that you can’t prove it either way. It’s so difficult to segregate out
the data that make up the deficit argument or the subsidy-from-England-
argument that it becomes almost pointless. I thought it was significant that the
Herald newspaper, which has been a considerable proponent of the unionist
argument for a long time, published a piece recently which basically said that
it looks as if there is no subsidy to speak of. To be honest with you, though, I
really don’t care about it; I’ve looked very objectively at the data, through my
time at Scottish Enterprise and indeed before it, and I could never really get
to the bottom of it—I think the difference between the two is so close as to
be completely irrelevant.

As for as the budget deficits that it is assumed Scotland suffers from,
they really don’t matter: what matters is what we do with the deficit; if you’re
using a deficit for investment purposes rather than consumption purposes
that’s a good thing. I’m not suggesting we can run on indefinitely with a
deficit but basing the future of Scotland on the issue of whether the current
administration runs at a deficit is a pretty tawdry argument; if you believe
it what are you going to do about it, and if you don’t believe it why are you
saying it?

That is why I think the constitutional argument for the Union is a far more
respectable, robust and coherent argument than the economic argument, and
I think the economic argument is coming unstuck.

Some time ago, I was an SNP research officer to a man called Donald
Bain who was the inspiration behind the ‘It’s Scotland’s Oil’ campaign, and
he did more work on the subject than anyone else at the time, though we
never realised quite how good his work was on oil. He knew more about
the oil industry, and he knew more about the possibilities it opened up than
almost anyone else—and, boy, was he ever right. I just checked the sovereign
investment fund for Norway—and by the way there are 12 other schemes like
Norway’s across the world—and it’s currently standing circa 160 billion; even
if you take that amount and stick it in a deposit account rate of interest you
get eight billion annualised, and in fact they’ve been hitting six and a half
billion nominal—that’s 25% of the Scottish budget. Even if Scotland had a
similar scheme only half the scale of Norway’s that’s an income of 12.5%
of the Scottish budget, and that buys you the National Health Service as we
currently have it.

That is an example of an economic argument which was rubbished for
years but where the nationalists’ arguments, had they been followed, would
have made a significant difference to the Scottish economy. That those
arguments didn’t succeed doesn’t mean we should despair because there’s still time, since there’s far more oil out there than people think, and the technology is constantly being improved. The economic possibilities of independence can’t just be made on the back of oil but oil is still relevant to the economic future of Scotland, and Scotland could still gain significantly from oil revenue if it were independent. And let’s not lose sight of the fact this isn’t the first time arguments about independence and the economics of independence have been made and have been rubbished—only for them to turn out to be correct in hindsight.

The government has recently published an economic development plan, and some of its associated statistics are interesting and depressing in equal measure. The statistic that interests me is the one to do with life expectancy: sure, we have a terrible lifestyle but there’s an absolute correlation between economic wellbeing and health. I come from darkest Ayrshire where the healthier life expectancy table is now the worst in Scotland and, guess what, we are at the second bottom of GDP per capita in Scotland—there’s a correlation and I’m tired of it. I’m just tired of being in the top quartile for every conceivable form of failure the western human experience cares to speak about, whether it’s my teeth are falling out or I get early cancer. This is not good enough for a country of our sophistication. But what’s clearly the case is that on a wealthier GDP per capita basis we could do a lot better than we are presently doing and I, for one, think we should.

The growth rate in Scotland over the last 25 years is hugely variable because there are few countries as small as ours with such a massive regional variation; we are sitting right in the centre of a city region which is booming, and has been booming in one way or another for most of the last 25 years and, of course, south of here, Edinburgh is a major city region in financial services terms, and in some ways as dynamic in the Scottish economy as London is in the English economy. You could argue it’s a satellite of London in many ways, but despite these boom areas we’ve trended at 0.20%, 0.25% below the average over the past 25 years—much less than other small European countries and significantly less than Ireland. Indeed, Ireland is growing three times faster, Norway has grown twice as fast. To the extent that that matters I did some maths before I came up here; this may not seem a lot but it means that every thirty years or so—somewhere between twenty-seven and a half to thirty—the UK economy doubles in size, while it takes us somewhere between thirty-five to forty years to double in size.

Now if you’re living in an affluent part of Scotland that doesn’t matter,
but for those of you who’ve not done it, go and visit large parts of Ayrshire, Dumfries and Galloway, and even parts of the Lothians, and you will see immediately what I’m talking about. But you don’t need to do that; go and visit large chunks of Glasgow which have essentially been dispossessed—40, 50, 60% unemployment levels, a complete disengagement from economic and other parts of social life. This is a class of people, the numbers vary—some people put it as high as 800,000—who are essentially no longer engaged in the economy and apart from the moral loss that represents, it is certainly a massive economic loss, and we should not be tolerant of it.

So the policies that we’ve pursued for the past forty or fifty years have failed: they do not work. And as I pointed out to my thirty-year-old son who, since he left university, has had the luck to have avoided any kind of serious recession, they come back: the economic cycle has not stopped.

There’s a phrase which is now quite popular in America derived from work done at Stanford and at Harvard—‘The Great Moderation’. What this implies is that what we’re presently enjoying is a period of economic growth brought about by inventory management, by globalisation, by the opening up of large markets in China, Europe and India, as well as continued expansion in the United States. This dispersed set of economic drivers means that when one’s down the other’s up, so that we’re no longer dependent as we once were on one major engine of growth. So we may have little recessions occurring in some sectors—construction in the United States, let’s say—but it coincides with boom in at least three or four other sectors. So, notwithstanding the great issues we’ve seen around the sub-prime lending crisis, ‘The Great Moderation’ appears to have created a world which has removed the fear of recession. I’m afraid I don’t believe it for a minute. I think as much as China has created great opportunity in terms of its internal market, has exported deflation and is becoming a great economic powerhouse to rival the Europeans and the Americans, the proposition that great global economic cycles have finished and we’re no longer due a recession ignores historical reality.

So for the generation of Scots who over the last ten, fifteen to twenty years have had, relatively speaking, a decent life, and who have not had to go through the appalling consequences that people suffered when our manufacturing industries collapsed in the 1970s, don’t for a moment think that such recessions have gone away for good. What’s even more alarming is that here in Scotland we have a narrower dependency, we have a dependency on a narrower range of industries, than we had twenty-five years ago, so when it does come it’ll be bad.
I mentioned earlier how well Glasgow is doing: restaurants are full, hotels are full, new offices are going up. Guess how many of those jobs are dependent on the call centre industry? Of the new jobs created 50 to 60%—and these are the jobs that are most likely to go, so this is not a good place to be. And in any case, these are jobs which are low in productivity and they’re low as Gross Value Added drivers, so they may give employment but they don’t contribute to ongoing development. Many areas of Scotland are now dependent on these kinds of industries, and though we might be grateful to have the work, these are not good industries. The irony is that this is happening in a country with an incredibly rich intellectual infrastructure so there’s something not right when a country with our richness of intellect, of infrastructure and capacity is doing as badly as it is doing when compared with other northern European states. Something in the present policy infrastructure is not working.

Although, as a civil servant, I worked for both Labour and Conservative ministers and did so always to the best of my ability, behaving as a public servant and official should behave, giving the best advice I could give, I saw a lot going on which troubled me deeply about the ways policy was being developed. It is perhaps an indication of my frustration with those policies and with what they were doing to Scotland that I’m now an SNP candidate. I’m not neutral but my political choice is based on having been on the inside of past policy-making.

However, simply having an SNP government is not going to transform the Scottish economy. There’s not a hope in hell of Scotland achieving GDP growth rates equivalent to the European growth rates by 2017 under the existing arrangements—it is just not going to happen. In fact achieving UK levels, the average UK growth levels by 2011, is unlikely. I know John McLaren and others in Glasgow have argued that that is the case, but I think they’re wrong, because I don’t think real improvement can be achieved without sovereignty. Only through independence can Scotland’s economy hope to match that of England, let alone other European economies of a similar size.

So what do we mean by sovereignty? Firstly, it’s fiscal, and Sean Dorgan was honest enough to say that corporation tax was a significant driver—not the only one but a significant driver—of Ireland’s economic performance, and having been on the receiving end of competition with Ireland when I ran our inward investment agency, I know to my cost that corporation tax is indeed a significant driver.

I have the greatest possible respect for one of your colleagues here in Aberdeen, Michael Keating; he and I were at university together. But in a piece
in a Hollyrood magazine recently Michael suggested that every commentator has his own theory about Irish economic performance and it is not obvious that corporation tax cuts are the best way to stimulate investment. In part that’s true but there’s much more to it than that, corporation tax has to be part of a portfolio, but nonetheless I’ve got to say that based on my experience in competing against the formidable IDA in Ireland and working elsewhere in the world in countries where corporation tax was used as a competitive weapon, you bet your bottom dollar it’s a competitive weapon—which is why they’re so terrified the Europeans in their madness will seek to suppress it.

We also have policies being visited upon us which make absolutely no sense economically or in any other kind of way and one of them is the nuclear; now, whatever we may need in Scotland, whatever is required for the economic development—and I live in north Ayrshire four and a half miles away from a nuclear power station at Hunterston, and lots of friends and some family work in it—we do not need nuclear energy. What we need is serious investment in alternate energy sources. Why? Because we’re rich in abundance: it would be ridiculous not to develop it. We already lost the potential to build a significant foothold in wind turbine technology that went to Denmark, notwithstanding the fact that we sit on an asset which according to the company that runs the wind turbines in north Ayrshire–Airtricity, it’s an Irish company actually—it’s the best and most productive wind turbine farm anywhere where they have investments.

Then there is immigration policy; we had a modest little policy called the Fresh Talent Initiative and unsurprisingly and quite rightly that’s been copied by England. We need to do much more on immigration, however, but we can’t under the current regime, which doesn’t allow us to pursue alternate models.

And what about defence? Whatever the figure is, 20 billion going towards 30 billion, I can think of a lot more productive ways to spend that amount of money on productive investment rather than by buying American technology to keep 2,500 jobs in Scotland: that’s absurd because if we were ever to use it, it would be an irrelevance, since we could only use it with US permission. It gives us no ‘independent’ nuclear option.

And in the fishing and agricultural industries we have zero representation in the European committees so what we have seen is the collapse of the fishing industry and the consequent deprivation in our former fishing towns, and all because we can’t negotiate. Can you imagine the Irish being skewered the way we were on fishing?
Let’s go back, though, to inward investment and to so-called transformational projects, of which I have a particular and abiding interest, even if we do not have the ability to undertake them. It’s not a matter of governments of the Left or of the Right, because all British governments have to operate within the context of the Union which they believe in. I have spent a lot of time working in the north west of England on Merseyside, which I grew to love greatly, and there’s good reason to say that the English regions have the same problem as we have; they have policies which are not appropriate for their needs. That’s because Britain has a hugely disproportionate economic engine around London and the south east and many of the decisions are taken to reflect the needs—understandably, given the tax base it represents for a UK government—of that economy; but that economy is as different from the other pole in Glasgow as Glasgow and Liverpool are from the rural economies around them. So the arguments I'm making here in some measure apply to some of the regions in England, as well, and I’m not blind to that reality.

But I ran the Inward Investment Agency in Scotland for six years and one of my colleagues has now succeeded me. We had a good job at that time but I felt, increasingly, when Ireland particularly began to gather momentum, showing confidence and professionalism, as if I was playing in a five-a-side team on a full sized pitch against an eleven man side, because again and again we would lose because decisions were being taken which, at that point, were strongly influenced by factors over which we had not control, such as corporation tax.

I’ll give you an example of this; over a four year period we lost a semiconductor industry in Scotland which was a highly integrated industry, high value jobs, high GVA drivers, great management and all the rest; we were not able to secure it here because decisions around tax were being taken elsewhere in the United States and we had no mechanism to persuade them that continued follow-on investment in Scotland would be as profitable. As I speak I think there’s one semi-conductor plant left in Scotland, but at one point we were producing 65% of the chips in Europe; it went overnight, we had almost no influence, no mechanism to ground it here.

So inward investment can only ever be part of a portfolio of economic change programmes; inward investment does matter and for parts of the country it mattered a lot, but only as part of a portfolio of industrial developments. But there still is a lot of inward investment out there, as a matter of fact, the world economy is made up increasingly of global flows of capital in the forms of portfolio capital and fixed capital investment—as I speak India
is moving towards a point where it’s becoming a major inward investor into the United Kingdom.

My argument here is simple; an independent sovereign Scotland will be able to do things in the inward investment arena that it cannot do under the Union settlement. Of course, the truth is the Treasury couldn’t possibly allow the government in Edinburgh to do things that would comparatively disadvantage our colleagues in Lancashire or anywhere else in the UK but, be under no illusion, we are losing investments which would matter and matter greatly to parts of Scotland if we could get them. We can’t get them, and as a former director of Locate in Scotland who used to personally set up Scottish developments internationally, that organisation is seriously disadvantaged. Unless we change the Union we have to accept that that’s the way it is and accept the consequences.

There were very sad occasions when I was running Locate in Scotland, quite a long time ago now, when there was a proposal from a company which was once great but was then falling on hard times, called Digital. They could either close a plant in Ayr, which was right next to where I live and a lot of people who worked there I knew personally, or they could close their plant in Galway. I remember turning up at the headquarters of Digital in a place called Maynard, Massachusetts with a really excellent man, somebody I have great respect for, Ian Laing, who was then Scottish Secretary of State in Margaret Thatcher’s government. We had turned up half an hour early, preparing to make a pitch to the then chairman of Digital, a man called Robert Palmer, and we noticed as we got there that flying above the headquarters was the stars and stripes and the Irish tricolour and we thought, this isn’t good! Anyway we sat outside in the car and then about ten minutes later, coming out of the door, was Senator Edward Kennedy, Mayor Raymond Flynn who was the Mayor of Boston, Cardinal O’Connor (I think it was) and the Irish Trade Minister and I thought, jeez, this is going to be tough. In due course the Irish tricolour came down, and the lion rampant went up the flagpole—not even the saltire.

Then, as on so many occasions since, I recognised that however small the country might be, sovereignty matters. People like to talk to presidents and prime ministers, not first ministers; no disrespect to Alex or Jack or anyone else, but if you’re First Minister you’re not Prime Minister, and that matters. And it doesn’t matter if you’re three million or forty million, the brand implications of being a sovereign country just make a difference, apart from giving you at seat at the table at the European Union and, indeed, the
United Nations. It buys access and it buys networks, it gets you in to the chief executives and chairmen of global firms faster and without having to persuade them to see you; however admirable your Secretary of State might be, he still isn’t the Prime Minister of an independent country. So this is a cultural issue, or if it’s not cultural it’s certainly symbolic, and again and again in my life I keep running in to the importance that flows from that symbolism.

I’m in Aberdeen so I couldn’t resist mentioning the recent announcement that Aberdeen wasn’t chosen as the location of the Energy Technology Institute. If I was sitting in the DTI, or the Treasury, I wouldn’t have put it up here either because they’d be fearing that sometime they’d be faced with having to explain why they’d given these guys this technology institute and all of a sudden they’re running off as an independent entity and the UK government has lost its investment. So from their point of view, and in the context of the United Kingdom, it might have been a very sensible decision but it means we have lost out on a technology institute, much of whose efforts will be around renewable energy and the further development of oil. It was hardly a surprise when it happened, but that’s why sovereignty matters.

Sean Dorgan has been, quite properly, emphasising the quality of education and, above all, the quality of Ireland’s intellectual assets in the form of its people; it has formed the centre point of a very, very effective international marketing campaign, which I admired. So this isn’t an attempt to upstage him but I’ll tell you what, if there’s a better intellectual infrastructure anywhere in northern Europe than we have here in Scotland, I haven’t found it.

I spent about six to nine months looking at a lot of northern European countries as we set up something called Intermediate Technology Institutes, which was a very modest attempt to copy things that were going on in Finland and Sweden, but what struck me again and again was that when you spoke to academics and people in business in those countries, how much regard they had for the quality of Scottish universities and how much opportunity that could have created.

Ireland has focused a lot of its efforts these days on tying business to the universities and I’m very envious of what they’ve been able to do. Universities could be powerhouses of productivity and growth in Scotland but the truth is they’re not. Scotland’s most successful IPO is a company called Wolfson Microelectronics which was the brain child of Professor David Milne from Edinburgh University and he stayed with this thing during a 30 to 40 year period; it’s still our best spinout and it’s very important for those who work in the business, but it’s a smidgeon of a contributor to economic growth – it sure
isn’t Google or any of the big spinouts we’ve seen in other parts of America. Yet why is that? We saw only two days ago the universities put in a £160 million bid and they got £30 million outcome; yes I know it’s an SNP government but it was a poor settlement if we want the universities to be the drivers of business development in Scotland. We have got to find a mechanism to get universities seriously tied in to the rest of the economy, and we’re not doing it yet in Scotland remotely as well as we see it going on in other parts of Europe; not only in Ireland, because the Scandinavians and the Finns particularly are doing an outstanding job.

The world of creativity mentioned by Sean Dorgan is tied directly to productivity growth, to GVA growth, and universities are as significant a player as a large financial institution. Interestingly enough in the context of Scotland, we commercialise very effectively, we’re good at taking knowledge from the lab, but what we’re really bad at is growing businesses on the back of it—there’s a lot of work being done on that, and we’re actually better at it than the rest of the UK, and the UK is better than North America, amazingly, at this. But we sit in a country where our R&D spend is now running at half the UK level, which itself is about two thirds of the OECD average; policies are clearly not working here—if we can’t use universities as proxy for R&D departments, what are we doing? The ITIs, modest though they were, were an attempt to proxy for the absence of R&D in the economy.

And we have to be honest here and admit, even if it upsets some of my nationalist friends, that we have a public sector which is running about 50% of GDP, which is way too big. People like Alf Young of the Herald would argue that that doesn’t matter and I’m missing the point because it creates social gain in other areas, and so it does, and that does feed into the economic gain—but it definitely crowds out the private sector. We have to do something about it, and it’s hard to do something about it if you don’t have sovereignty because of our dependence on the limited drivers currently available to us. We have a very large public sector, and I was proud to work in it and Alf Young is right that it does matter, but it’s too big for its own good—or it’s too big for our good—and it is crowding the private sector out. So as a minimum we should be seeking to channel its funding towards investment, because as it stands at the moment, by its very nature it reduces our productivity gain.

A recent report from the David Hume Institute gives evidence that suggests that much recent growth in Scotland has been via public sector expansion rather than by sustainable private sector growth, and if you take out Aberdeen and Edinburgh I think that is probably right. So we should be attempting to switch
Awaiting the Inevitable

public expenditure towards investment rather than consumption; it’s hard to
do but we need to start thinking very seriously about doing it, and I think we
need to use private sector delivery in much more innovative and creative ways.
I’m a great proponent of and believer in social enterprise organisations; now,
of course, these are small and not scalable and they’re not going to replace the
great swathes of the public sector, but they are highly productive, many of
them very creative, and we need to consider—and I commend the government
for including this in a recent policy document—mechanisms that would engage
them more in the delivery of public services, just as we need to think much
more creatively about using the private sector to deliver public services in
Scotland.

Sean Dorgan mentioned the national development plan in Ireland as being
a framework but no more than that—but we don’t even have that, so as a
minimum it would be nice to have a national development plan which tries to
pull together agencies which sometimes do and certainly should connect to
one another, and we haven’t succeeded—me included—in doing that.

Some of this could be done within the existing settlement but much—or
most—of it couldn’t; energy and major transport initiatives and so on. I think it’s
an absolute disgrace that two thirds of the country is essentially geographically
isolated from the rest and that has implications for investment—notwithstanding
the great work of Highlands and Islands Enterprise. It has implications for
house building, for the mobility of people; we have a large part of our country,
and it’s not such a big country, which is to all intents and purposes physically
divorced from the rest for serious investment purposes. In Ireland they have
spent a lot of time trying to address development in their non-urban centres
and we have made a very poor effort at that. We also need energy policies that
reflect Scottish needs and opportunities.

And if all of that isn’t all right, and some of it probably isn’t, I believe that
if we were sovereign at a minimum we could start to address the questions that
we really haven’t been forced to face up to. I don’t believe we have a deficit and
are generationally dependent on someone else’s money, but if we are I’d like to
stop it, please, and I’d like to get to be a mature adult and make decisions in my
own country, and address whether I should invest here or there. Independence
would force us to grow up; it would allow many of us to come together and
ask, where do our priorities lie here? Is that a nuclear power station or is it a
nuclear missile or is it more investment in productive education, on transport
or on something else? I think it would catalyse unionists and nationalists alike
to address the issues such as these because at the moment we’re not.
The existing model is not working. I’ll never be able to convince the emotional unionists and I don’t want to, I respect their opinion, but that the existing model is not working is as clear as crystal and that’s through a period of sustained economic growth that has been significant by Scottish post-war standards. I don’t deny that it is significant, but it just doesn’t compare with the standards of most of the rest of northern Europe. So what happens when the next recession does kick in? Meanwhile, understandably, the regions in England are saying, if they’re getting a subsidy we’d like some, and so it is a distinct possibility that funds will be diverted there, which could change our situation dramatically.

I’ve been quite struck recently by the fact that when you go to business dinners now—and this was definitely not the case fifteen or twenty years ago—you are much more likely to hear business people prepared to discuss, tolerate and understand the prospect of independence than you were when I was a young. I was at a lunch recently for the US Ambassador at Glasgow University and because of some of the things I’ve been saying, people were asking me about this issue, and I wouldn’t claim for a moment that the business people around that table were saying that they now believe that we should be independent, but what was striking to me was the extent to which they were much more prepared to listen to the arguments for independence than they were ten or fifteen years ago. And it is interesting, for example, that people like George Matheson and Crawford Beveridge came into their jobs at the Scottish Development Agency and Scottish Enterprise probably neutral on the subject of the Union, indeed were probably unionists, but came out of it believing that they could do a lot more if they had the sovereignty around them to allow them to be as creative in business as they are as people. I hope that’s a sign that we are heading towards change—we certainly need it.
Even if politicians wished to act solely in the national interest, there are few who are not powerfully constrained by the need to get re-elected. Putting the national interest above personal advancement is more often asserted than fulfilled. To be re-elected politicians have to pay very particular attention to varying combinations of sectional interests and to swing voters, attention which does not necessarily encourage them to actually act in what they may know to be the national interest. As economist and former Taoiseach Garret FitzGerald has written, ‘democratic national governments tend to be subject to such strong pressure from vested interests within their own territories that many of their decisions operate against the interests of society as a whole’.2

The term political economy is used here to refer to how politics impacts on economic policymaking, though it also takes elements of the behaviour of the bureaucracy into account. A thorough study of these issues, even if only in the Irish case, would be more than a lifetime’s work. This paper confines itself therefore to an analysis of a number of historical policy decisions that illuminate some central issues. Some of the policy decisions studied here advanced the public interest and led ultimately to the emergence of the ‘Celtic Tiger’ era of the 1990s and beyond.3 Analysis of these decisions, and how they came to be made, illustrates some of the processes by which policy errors can come to be rectified. Equally, however, consideration of how some

1 This paper forms part of an IRCHSS-sponsored project on “Turning Globalisation to National Advantage: Economic Policy Lessons from Ireland’s Experience”.
3 Irish income per capita hovered at around 60 percent of that of the UK for the 60 years up to 1973, and had reached only 65 percent by 1990. Then, in a spectacular reversal of performance over what came to be known as the ‘Celtic Tiger’ era, the Irish level—measured as GNP per capita (so as to exclude the substantial profits earned by foreign multinationals) and evaluated at purchasing-power-parity prices—shot up to achieve parity with the UK and the Western European EU average by the year 2000. It raced further ahead over the next few years before shuddering into reverse when the economy was derailed by the crisis that began in 2007 with the discovery of the ‘toxic’ debts that had been accumulated in the US sub-prime lending market.
of the policy errors of the boom period came to be made can shed light on less benign aspects of the policy-making process.

**Politics, Economic Policy and the ‘Celtic Tiger’ Economy**

The Irish boom of the Celtic Tiger era is generally agreed to have been facilitated by a number of domestic policy changes that positioned the economy to be able to avail of emerging opportunities offered by developments in the global and European economies over the course of the 1990s.

Ireland had joined the European Economic Community along with the UK and Denmark in 1973, and had been successfully attracting foreign direct investment for an even longer period. Educational attainment levels of the Irish workforce had been steadily improving since the 1960s. The importance of these underlying factors increased with the Single European Market and global high-tech boom of the 1990s. The domestic environment, furthermore, was substantially improved with the sizeable increase in EU regional aid that became available from the late 1980s, and with the successful fiscal consolidation of the period.

Irish decision makers had clearly made numerous policy errors in the past. Chief among these had been the delays in embracing reform—whether of trade policy, competition and tax policy, or of the industrial relations system—along with the fact that the fiscal crisis of the 1970s and 1980s had been allowed to spiral so badly out of control. How did policymakers learn from their mistakes and succeed, ultimately, in implementing reforms in occasionally hostile political environments?

**Abandoning Protectionism and Embracing Foreign Capital**

The quote from Garret FitzGerald above suggests that well-functioning societies must develop mechanisms that can provide political cover to help stave off detrimental interest-group pressures. The shift from protectionism to outward orientation that began in the late 1950s provides several examples of where such cover could be found. By that time it had become clear that the protectionist policies followed since the early 1930s had run out of steam. 400,000 people emigrated over the course of the 1950s—the highest level since the 1880s—while the rest of Western Europe boomed on account of
post-war reconstruction. Popular history ascribes the subsequent turnaround in policy, and in Ireland’s economic fortunes, to T.K. Whitaker, the recently-appointed Secretary of the Department of Finance, whose galvanising report on Economic Development appeared in 1958, and to Seán Lemass, who implemented elements of this new thinking when he took over from de Valera as Taoiseach in 1959. Garret FitzGerald notes how Lemass used the publication of Whitaker’s Economic Development alongside that of the government’s First Economic Programme to provide political cover for the policy reversal. By doing so, he writes, ‘the government made it clear that the Programme was not, and was not claimed to be, a policy prepared by the government party, but was a national programme, prepared by the head of the civil service’.4 This allowed it to be seen as transcending party politics. Joseph Lee offers a complementary and amusing commentary.

It may be surmised that Lemass had little ambition to inflict on his backbenchers, or on De Valera, the enlightenment that would be willingly proffered from the opposition benches about the manner in which Fianna Fáil had at last seen the light, and was now reneging on its earlier self. Nor would any astute politician wish to sacrifice the advantage accruing to his party from a ‘plan’ ostensibly based on the work of a non-party civil servant. The de-politicisation of ‘planning’ was too useful an asset to be wantonly surrendered to the capricious vagaries of Dáil debates.5

The importance of the Export Profits Tax Relief (EPTR) scheme is less frequently remarked upon by historians. Its importance is more obvious to economists, as it marks the genesis of Ireland’s low corporation-tax strategy, which—in the words of Padraic White, former Managing Director of the IDA—‘remains to this day the unique and essential foundation stone of Ireland’s foreign investment boom’.6 EPTR was introduced in November 1956 by a short-lived non-Fianna Fáil government, only the second such administration to hold power since 1932.

The Dáil records of the mid-1950s reveal much discussion on both sides of the house of the need to stimulate exports, yet Fianna Fáil thinking remained

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sharply divided on the question of foreign capital. ‘Since 1948’, as Bew and Patterson write, ‘Lemass had been prepared to ruminate rather indecisively in public on the possible role of foreign capital in the Irish economy’. His 1953 trip to the US was partly aimed at attracting American investment, yet his Dáil speeches in the summer of 1955, while in opposition, criticise the then Tanaiste’s efforts towards the same end. He also criticises the government’s acceptance of a proposal from an Anglo-American combine to erect an oil refinery in Cork harbour, which represented the largest sum ever invested in a single private enterprise in the country.

The ambiguity of Lemass’s position was motivated both by politics—‘opposition for opposition’s sake’—and by a desire to paper over the cracks between his growing acceptance of the need for, and Fianna Fáil’s traditional hostility towards, foreign capital. As Bew and Patterson point out, ‘foreign capital was, for nationalist ideologues, a far more explosive issue than protection. After all, protection was only a means to an end—the building up of a native Irish industry’. While Lemass was prevaricating, De Valera was railing against handing over Irish resources ‘to foreigners “festooned with tax reliefs”’.

EPTR, as first introduced ‘in the bleak mid-winter’ of the 1950s, allowed a 50 percent tax remission on profits earned from increased export sales. The policy was sold in public as a stimulus to exports rather than to foreign capital. Crucially, however, from the political point of view, its introduction by a non-Fianna Fáil government helped the latter party to finally ditch its ideological objections to foreign industry, which responded rapidly to the new tax reliefs. Upon returning to power, Fianna Fáil expanded the tax remission to 100 percent and eased the legal restrictions on foreign ownership that it had enacted in the 1930s. A later Fianna Fáil government minister, Kevin Boland, wrote of his shock and bewilderment ‘to find that the principle of Irish ownership of industry—which was central to the Republican policy as I had always understood it—was gone’.

This episode serves to illustrate how changes in government can sometimes facilitate the abandonment of long-held commitments and growth-inhibiting ideologies, much as the Blair government in the UK benefited from the
consequences of many of the changes introduced by previous Conservative administrations—changes which a Labour government would not itself, for party political reasons, have been able to introduce.11

While EPTR did not directly threaten established (protectionist) interests, it led to a considerable strengthening of the export lobby. This increased the pressure for further liberalisation, of the type represented by the signing of the Anglo-Irish Free Trade Area Agreement in 1965 and EEC accession in 1973.12 This is referred to in the economics literature as a process of ‘cascading’ or ‘juggernaut’ reforms.13

One of the unique features of the Irish political landscape since then has been the degree of cross-party support for foreign direct investment. This was apparent in Labour TD Ruairi Quinn’s response as Finance Minister in the mid-1990s to European Commission demands for a single corporation tax rate to be applied across sectors. Existing rates were 28 percent for most services and 10 percent for manufacturing. Resenting the windfall gains that would accrue to services, and particularly the banks, his political advisors argued for a harmonised rate of 18 percent. Quinn rejected this advice and instead chose the Industrial Development Agency’s preferred rate of 12.5 percent.

By the new millennium, foreign multinationals had come to account for one out of every two jobs in Irish manufacturing and one out of every five jobs in services—far higher proportions than recorded elsewhere in Europe or indeed in most of the world. The inflows of FDI associated with the Single European Market and the global high-tech boom of the 1990s were in turn one of the driving forces behind the ‘Celtic Tiger’ boom.

The Development of Education

Growing outward orientation in the 1960s was reflected in an increased desire to

11 ‘Blair’s generation of Labour politicians felt compelled to accept the Thatcherite settlement on the economy. He, in turn, forced the Tories to accept a new, more social democratic consensus that government had a responsibility to invest in public services and deliver social justice’; Andrew Rawnsley, “The Reckoning”, from: The Blair Years 1997 – 2007, Observer Supplement, April 8, 2007.
12 Historians have yet to undertake the work of exploring how these political pressures were manifested.
13 Rodrik’s account of how Mauritius came to become one of sub-Saharan Africa’s most successful economies is very similar to the Irish experience as recounted here; see ‘Institutions for High-Quality Growth: What They Are and How to Acquire Them’, Studies in Comparative International Development Vol. 35, No. 3 (Fall 2000), 3–31.
benchmark against international standards. The desire to perform well in such exercises can be seen today at any meeting of policymakers from Central and Eastern Europe, for example, or from the developing world. The effects were to be seen most dramatically in Ireland in the case of the response to a 1965 survey of the country’s education system carried out under the auspices of the OECD. Ireland had been one of only two countries to respond to the OECD’s request for volunteers to have their entire educational system surveyed.

The subsequent report, *Investment in Education*, issued in 1965, made newspaper headlines when it reported that over half of Irish children left school at or before the age of thirteen, a far higher proportion than for most of Western Europe. An important feature of the report was that ‘technocratic expertise was being given unprecedented attention and might now be heard alongside the political party and denominational interests which had previously dominated ministerial councils’. The report may serve as an example of what is known in the policy-reform literature as ‘creating a crisis’ in order to weaken the vested interests opposed to reform.

The report paved the way for the introduction, shortly thereafter, of ‘free’ second-level education and access to school transport networks. Thirty years later the numbers at school had trebled, with 80 percent completing the full cycle (compared to only 20 percent in 1965), while numbers at third-level had increased even more substantially—by a factor of six.

An unusual feature of the Irish bureaucratic landscape is the degree of ‘clout’ amassed by the Industrial Development Agency, which is tasked with attracting foreign multinational corporations to the country. The importance of FDI, and the IDA’s success, has allowed the agency a voice in areas such as telecommunications and education which are not elsewhere within the remit of investment promotion agencies. A Manpower Consultative Committee had been established in 1978 to provide a forum for dialogue between the IDA and the education system. Through this, the IDA played an influential role in ensuring that tertiary education bolstered competitiveness. Noting a looming disparity between electronics graduate outflows and its own demand projections, for example, it convinced the government to fund a massive expansion in engineering and computer science between 1978 and 1983, as a

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15 See T. Garvin, *Preventing the Future: Why was Ireland so Poor for so Long?* (Dublin, 2004) for a very readable account of the constellation of opposing forces in the educational sphere.
result of which the output of engineering graduates increased by 40 percent over these few years, while the output from computer science increased tenfold.

An unusual feature of the Irish third-level system itself is the relative size of the (sub-university) Institutes of Technology component, which has been of importance in enhancing the environment for foreign direct investment. Ireland now has one of the highest proportions of the cohort aged 25–34 with third-level and specifically with science and engineering qualifications. Furthermore, the country’s education system always ranks strongly in surveys of global executives. One recent such ranking of the national educations systems of 60 OECD and medium-income developing countries is provided in Table 1.

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<th>“The educational system meets the needs of a competitive economy”</th>
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These various and arguably positive outcomes might be read as resulting from the aforementioned high degree of consensus over the importance of remaining competitive in the global FDI stakes.

Social Partnership and Resolution of the 1980s Fiscal Crisis

Organised interests are known to be most harmful when they are strong enough to cause major disruptions but not sufficiently encompassing to bear a significant fraction of the societal costs associated with pressing

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their own claims. This closely describes the organisation of Irish and UK industrial relations in the 1960s and 1970s. In language reminiscent of Olson, Hardiman notes that over this period ‘no single bargaining group believed it had to pay any attention to the impact of its activities on the overall state of economic performance. Yet the cumulative consequences of everyone’s bargaining practices were proving more and more harmful to overall economic performance’.

Proponents of the model of social partnership that emerged in Ireland in the mid- to late-1980s argue that participation in this process was sufficiently encompassing that the macroeconomic consequences of the pay deals struck would indeed be taken into account, yielding beneficial employment effects. Whether or not one subscribes to this view of partnership, it was critical along one dimension at least, in that it helped to provide political cover for the fiscal consolidation that was finally implemented in 1987.

Political wrangling had prevented an earlier resolution of the fiscal crisis as trenchant opposition criticism had encouraged the defection of government coalition partners or the withdrawal of support for minority governments over the earlier part of the decade. The newly developed social partnership process helped secure a way out of this prisoner’s dilemma, as described by Ray MacSharry, the Finance Minister who implemented the fiscal cutbacks of the 1987–89 period:

The NESC analysis of what was wrong and the prescription of what needed to be done was agreed by all the social partners—including employers, trade unions, farmers and others—without dissent… It set debt stabilisation as a minimum objective of fiscal policy, while relying

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20 For references to the debate, see F. Barry, ‘Social Partnership, Competitiveness and Exit from Fiscal Crisis’, *Economic and Social Review*, 40, 1 (2009), 1–14.
21 Patrick Honohan, who was an economic adviser to government at that time, notes that ‘it was immediate political pressures rather than any intellectual argument that resulted in the choice falling on tax increases rather than spending reductions. In short, it was the familiar consideration that expenditure cuts tend to hit particular identifiable interest groups, while tax increases can be spread more thinly across society’. Even Fianna Fáil, which won the 1987 election and implemented far sharper spending cuts than proposed by the previous government, had campaigned on the slogan that ‘health cuts hurt the old, the poor and the handicapped’. See P. Honohan, ‘The Role of the Adviser and the Evolution of the Public Service’, in M. Hederman (ed.), *The Clash of Ideas: Essays in Honour of Patrick Lynch* (Dublin, 1988).
on public-spending cuts—not taxation—to achieve that adjustment. This was the most critical part of its overall strategy. The boldness of the NESC approach, the consensus of the social partners in backing it, and Fine Gael’s generous promise of political support on fiscal policy all created a new opportunity to tackle, finally, the public finances.²²

The political cover provided by the ‘Tallaght Strategy’ of then Fine Gael leader Alan Dukes was the other main factor in facilitating resolution of the crisis. Unfortunately this will prove difficult to replicate in the future, given that Dukes was deposed as party leader shortly afterwards and his stance, which many commentators would regard as patriotic, has by others been ridiculed as politically disastrous.²³

Political Economy and Maximising the Benefits of EU Regional Aid

Ireland devoted a substantially higher share of its EU regional aid inflows to human capital development than did the other cohesion economies. This was largely influenced by the successful targeting of the much lower pre-1989 aid funds to develop the Institutes of Technology (formerly known as Regional Technical Colleges). Another element that may have entered the mix, however, was the highly centralised nature of the Irish decision-making process. Sub-national governments in the other EU cohesion countries of Greece, Spain and Portugal tended to prioritise spending on roads and other ‘hard infrastructure’, possibly because ‘human capital’ is highly mobile and its benefits therefore more difficult to capture by the individual regions undertaking the investments.

The fact that the EU regional aid process requires agreement between Brussels and the national authorities on spending priorities (to the extent that they are co-funded) also served to reduce the extent to which domestic political considerations and interest-group pressures could adversely affect outcomes. FitzGerald suggested, furthermore, that the EU regional aid process had helped embed best-practice monitoring and evaluation procedures within the national public-service bureaucracy,²⁴ though doubts

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²² R. MacSharry, and P. White, The Making of the Celtic Tiger: the Inside Story of Ireland’s Booming Economy (Dublin, 2000), 62. NESC refers to the National Economic and Social Council which can be thought of as the secretariat to the social partnership process.

²³ See, for instance, F. Finlay, Snakes and Ladders (Dublin, 1998).

²⁴ J. FitzGerald, ‘An Irish Perspective on the Structural Funds’, European Planning Studies,
have recently been expressed as to whether this has survived the drop-off of EU aid.\textsuperscript{25}

McAleese also remarks on the benign effects of EU rules, noting that ‘an Irish government untrammeled by Brussels would have found difficulty in turning off the flow of subsidies to several economically weak but politically sensitive companies (Irish Steel, Aer Lingus and the beef processing industry for instance)\textsuperscript{26}. Hence the fact that Irish national investment policy was subject not just to monitoring and evaluation on the part of the EU Commission but also needed EU approval for those elements in receipt of European co-funding helped to keep at bay the localist and clientalist pressures exerted by the Irish electoral system.\textsuperscript{27} Eurostat’s refusal to allow Kerry and Clare to be included in the (Objective 1) Border, Midlands and West region provides one example of how localist-driven policies have been thwarted by the EU in the past.

**Politics and Policy Errors over the Boom Period**

In 2009 the Taoiseach, Brian Cowen, admitted that certain policy errors which deepened the subsequent crisis could be seen—with hindsight—to have been made over the boom period. There errors are responsible for the fact that the current Irish recession, triggered as elsewhere by the global financial meltdown of 2008, is one of the deepest in the developed world. The Taoiseach went on to assert however that ‘all policy decisions were based on the best advice available at the time’.

This is a strange claim for a politician to make, in that it seems to deny a role for politics in political decision-making. All policy choices have distributional consequences, no matter how much Ireland’s political parties seek to portray themselves simply as better economic managers. The Taoiseach’s assertion

\textsuperscript{6, 6 (1998), 677–94.}
\textsuperscript{25} R. Boyle, ‘Measuring Public Service Performance and Productivity: how do we know if the Public Service is performing well?’, presentation to IPA Annual Conference, September 9, 2009.
\textsuperscript{27} As D. Farrell has noted in Electoral Systems: A Comparative Introduction (Basingstoke, 2001), many political scientists accord the multi-seat constituency Single Transferable Vote electoral system a key role in generating ‘the heavy emphasis on constituency casework, faction-fighting between candidates from the same party (and) a focus on constituency and localist matters in election campaigns and parliamentary work’ (146).
also however seeks to airbrush from the picture the concerns that many economists and others expressed at the time these policy decisions were made. We turn now to a discussion of the political factors behind these errors.

Government stabilisation policy must by definition be counter-cyclical; that is, it must act to dampen rather than accentuate the business cycle. Ireland, however, stands out among OECD countries as exhibiting above-average pro-cyclicality. Nor is this just a recent phenomenon; pro-cyclicality had also been identified in the Irish budget deficits of the 1960s and 1970s. Charlie McCreevy, who was Finance Minister from 1997 to 2004, mocked economists’ warnings of the dangers of this stance with his widely-publicised dictum: ‘When I have money, I spend it; when I don’t, I don’t’.

His populist dismissal of ECOFIN’s 2001 criticism of Ireland’s fiscal over-stimulation represented a tragically missed opportunity to exploit external fiscal commitments as political cover to help overcome the political pressures to act in this way. Instead of tightening fiscal policy, he introduced further income tax reductions along with the profligate SSIA scheme in 2001. While such tax reductions may have helped keep the lid on wage demands in the earlier years of social partnership, their impact increasingly registered as a stimulus to aggregate demand as the responsiveness of labour supply decreased. The legacy of McCreevy’s approach, maintained after his departure, was that the country found itself with no stabilising margin when the global recession struck in 2008. The country was then forced into destabilising fiscal contraction.

With monetary policy handed over to the European Central Bank, and with the historically low interest rates that ensued, it became even more important that fiscal policy be used to dampen the property bubble which ultimately burst in 2007. Fiscal policy did the opposite. The construction sector became even


31 Lane had previously warned that the fact that ‘fiscal policy in Ireland has in general not behaved counter-cyclically…imposes costs on the Irish economy that are likely to become more severe in any future European monetary union; see ‘On the Cyclicality of Irish Fiscal Policy’, Economic and Social Review 29, 1 (1998), 1–16.
more bloated by a series of property-related tax incentives, and it had grown to about twice the average size recorded in Europe and the US by the time the bubble burst.

Irish banks and Irish tax revenues had also been allowed to become dangerously exposed to the construction sector. When the bubble burst, revenue sources such as stamp duty, capital gains and capital acquisitions tax all but dried up, while the overexposed banking sector had to be bailed out by the taxpayer. As Honohan has pointed out: ‘a financial system which reacts quickly to policy deviations can be a great discipline on governments that learn to anticipate these reactions and stay on the straight and narrow path…In moments of dangerous fiscal excess and competitiveness pressures, the financial system did in the past act as a watchdog. If, in the past, the watchdog was prone to bark too readily, thereby creating unnecessary currency crises, it is muzzled today, given EMU membership’. This suggests that careful financial regulation would have been even more important under EMU than it was beforehand. Instead lax regulation allowed huge financial imbalances to emerge.

One of the reasons why Ireland and the UK chose ‘light-touch regulation’ (or, technically, ‘principles-based’ as opposed to ‘rules-based’ regulation of the German variety) was because they felt it would offer their substantial international financial services sectors a competitive advantage.

Is there a political-economy dimension to why the property boom was allowed to spiral so far out of control? To answer this, one must ask who gained from the explosion in property prices. The answer is mainly the property developers, even though many of them may have lost their fortunes in the subsequent meltdown. While house prices skyrocketed, the proportion of the price accounted for by the cost of the site rose from around 15 per cent—a level that is apparently normal by international standards—to between 40 and 50 percent. And property developers have

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32 The social partnership process may have contributed to a shifting of the tax burden away from income tax, as the pay deals typically offered wage moderation in exchange for promised future income-tax reductions.


34 Honohan notes for example that the ratio of private credit to personal income grew from 48 per cent in 1995 to 132 per cent in 2005, with about 82 percent of the latter figure relating to housing finance; see ‘To What Extent Has Finance Been A Driver Of Ireland’s Economic Success?’, Quarterly Economic Commentary (Winter, 2006), 59–72.

35 J. Casey, ‘An Analysis of Economic and Marketing Influences on the Construction
long been major contributors to the Fianna Fáil party, a situation which can only be rectified by reform and rigorous policing of the laws governing political contributions.

Another policy error committed over the boom period—though not directly related to the subsequent economic crisis—was the so-called ‘decentralisation’ programme announced unexpectedly by the Minister for Finance in his budget speech of December 2003. The plan envisaged that up to eight government departments and a number of state agencies, along with roughly one-third of all Dublin-based civil servants, would be relocated from Dublin. The initial timescale for the programme was to be the end of 2006. The process attracted huge resistance from those who were supposed to relocate however, and appears to have been effectively terminated as a result of the 2008 OECD review of Irish public management.

The programme had all the characteristics of a political ‘stroke’ designed to garner electoral support in the regions. There was no documentation to suggest that any research or analysis of international experience had been carried out. The locations chosen bore no relationship to the National Spatial Strategy which the government had launched a year earlier. The use of the term ‘decentralisation’ outraged those who had long argued for—and used the term to refer to—the transfer of responsibility to democratically elected lower levels of government. And particularly worrying to many analysts was the threat it represented to the efficiency of the policymaking system.

One of the champions of decentralisation, the then Minister for State at the Department of Finance, Tom Parlon, wrote that: ‘the advent of broadband, the internet and e-mail, instant messaging and other advanced communication technologies now means that for many business functions, location is irrelevant’. Research shows however that this assuredly does not apply to strategy and policy development functions, where physical proximity remains crucial.

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36 A graphic illustration of this is provided by the more than 30 property development and construction companies that took out advertisements in the anniversary publication ‘Republican Days: 75 years of Fianna Fáil’.
37 Given that the OECD actually said very little about the programme, this might be taken as another example of the search for political cover to facilitate a necessary reversal of policy.
38 Irish Times, June 10, 2005.
39 F. Bannister and R. Connolly, ‘Government by Wire: Distance, Discourse and the
Concluding Comments

Democratic electoral systems alone are clearly not sufficient to ensure that growth-enhancing economic policy decisions are always made expeditiously. In some cases unfavourable outcomes emerge through populist or interest-group pressures; in other cases, because governing parties are locked into growth-inhibiting ideologies.

Many of the constraints entailed by EU or WTO membership—what New York Times columnist Thomas Friedman refers to as ‘the golden straightjacket’—are designed to address the first set of issues. At the EU level, the Maastricht criteria, the Stability and Growth Pact, restrictions on state aids to industry and the independence of competition authorities all strengthen the hand of government if it seeks to resist detrimental interest-group and populist pressures. WTO rules have played an important role in helping nations to resist populist pressures to turn protectionist in the current crisis, as happened during the Great Depression. EU supervision of national investment planning and implementation in the context of regional aid expenditures has also been seen to help reduce the scope for detrimental outcomes.

The advantage of occasional changes in government appears when we consider the case where governing parties are locked into growth-inhibiting ideologies. The success of the policies adopted by a short-lived non-Fianna Fáil coalition government to attract export-oriented businesses in the 1950s facilitated Fianna Fáil in dropping its ideological objections to foreign industry. Something similar may arguably be seen in the legacy bequeathed to subsequent Labour governments in the UK by the Thatcher administration. The policy learning process may take much longer in non-democratic or effectively single-party systems, as evidenced by the prolonged economic failures of Mao in China or the long stagnation of Northern Ireland under Unionist Party domination.

By strengthening the export lobby, the policy changes of the 1950s facilitated further reforms because these interests favoured EU accession. All astute reform-minded politicians know the importance of assembling a coalition that stands to benefit from the reforms. This alignment between sectional interests and the broader public good is typically only temporary however, and the initial reforms may endow these interests with a privileged position which


can be used to stymie further reforms. While strongly supportive of EU entry, for example, Irish agricultural interests upon accession became highly resistant to further liberalisation at the global level.41

Besides the cover available from external commitments, other sources of political cover required for the adoption of reforms might also be available domestically. Social partnership, as we have seen, played such a role in the fiscal consolidation of the late 1980s, while the public service bureaucracy provided cover for the shift away from protectionism in the late 1950s.

Occasionally, of course, politicians choose not to avail themselves of whatever cover against populist pressures might be on offer. Recent Fianna Fáil administrations rejected the cover that Brussels criticisms of Irish fiscal policy would have provided if they wished to move to a more appropriate counter-cyclical stance. Political factors, in the form of forthcoming general elections, were instead allowed to dominate. And the detrimental consequences of being too close to one particular interest group, the construction and property development sector which gained most from the property bubble, are now all too evident.

Of course, not all private-sector lobbying attempts to secure outcomes against the national interest. Some may be to convey genuinely useful information that can, if accepted, trigger beneficial government responses. An efficiently-functioning public-sector bureaucracy can act both as buffer and as channel of communication between the private sector and government, and can assist government in distinguishing one form of lobbying from the other.

The IDA and its sister agencies have played such a role in relation to foreign-owned industry, and it is significant that while Ireland’s position in the international-corruption-perceptions-rankings has deteriorated in recent years, the sectors investigated by the various tribunals and inquiries of recent times—property, retail banking, beef, domestic telecommunications—have not been the ones dominated by export-oriented foreign multinational corporations.

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1 Introduction

This paper examines the contributions the arts can make to the wealth of a nation/region, where wealth is defined much more broadly than is usual in Economics. The paper opens with a discussion of the concept of national/regional identity (Section 2) looking particularly at why it is related so closely to the issue of state funding. Its links to social cohesion and national prestige are explored in the following section (Section 3). These sections highlight the non-material contribution, in terms of national/regional identity, social cohesion and prestige, to national wealth. The later sections explore the more usual interpretations in Economics of contributions to national wealth. Section 4 considers the research or experimental role of state-funded arts and compares this to the rationale for the funding of research in general and Section 5 considers other types of spin-off, in terms of employment and tourism creation.

2 Wealth Benefit I: National/Regional Identity

One of the arguments economists hear used most frequently in relation to subsidies to the arts relates to national identity and the extent to which the arts can define ‘those elements of national life which characterise a country and distinguish its attitudes, institutions behaviour, way of life from those of other countries’. Like the physical well-being of its people and lands, the cultural identity of a nation must be cherished and protected, according to this argument. The appropriate analogy of public funding to support (‘protect’) the sector is then with national defence. The protection of both the physical

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2 D. Throsby, and G. Withers, The Economics of the Performing Arts (New York, 1979), 177.
and artistic well-being of a country, region or city, is what economists call a ‘public good’. Once provided, it creates benefits for all: once paid for it is impossible to exclude anyone and therefore there is no incentive for any one individual to pay his or her share of the cost of providing the output. State funding in this case is inevitable.

This may be a compelling argument for state support of the arts but it is an argument which has been subjected to rather searching analysis. Writing in relation to Canada, a country with a particularly strong pro cultural-protection lobby, Globerman questions the notion of national identity, and more importantly how the arts contribute to this. As he states, ‘in the absence of a specification of how culture produces national identity and a more defensible nation, it is quite plausible to argue that there may be much less costly ways to accomplish the objective… Indeed, it is possible to argue that virtually no effective relationship exists between indigenous culture and national identity. For example, some critics suggest that art, by its very nature, is international in character, or that art should be judged for its own sake and not for the sake of cultural, social or economic purposes’.

Zolberg takes a different line of attack and argues that in the context of the early twenty-first century the very notion of national identity is suspect. ‘In the context of large, heterogeneous nation-states should we speak of multiple identities or a single one? Is it valid to speak of “national” identity as if all nations were the same? Is national identity a fixed entity or a changing one? These questions recall debates about the concept of “national character”, long discredited, in part because of its ingrained stereotypical assumptions.

In the past, national identity has usually been ascribed to a population co-extensive with the geographic boundaries of a nation, and most European countries would consider themselves to have a distinct national identity, with the arts making a significant contribution to this. Ireland and Scotland are no exceptions to this. Many European countries are not mono-cultural, though,

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3 See S. Globerman, *Cultural Regulation in Canada* (Montreal, 1983).
4 Ibid., 41–2.
but, as a consequence of immigration, multicultural—both France and Britain, and more recently Ireland, being good examples. The real danger of an emphasis on national identity and a common cultural heritage could be the exclusion of these ‘foreigners’ from the national cultural debate, as well as a resistance to change over time.

Even if such a thing as national identity were attainable, say in a small nation state in Europe (e.g. Ireland) or in a region of Europe (e.g. Scotland), is the concept important? It is argued by some that national / regional identity is as important a concept as personal identity: it is a consistent set of attitudes, or shared values and convictions that define a nation. Even if, for the purposes of this discussion, it is accepted that national or regional identity is desired by the body politic, there still remains the question of the link between the arts and national identity and, more importantly perhaps, how the intervention of the state strengthens this link.

It could be argued that the benefit of national identity is synonymous with social cohesion and harmony (which benefits everyone), that this cohesion in turn depends on the intensity of social communications within and among groups, and that members of the same nation communicate more effectively with each other and over a wider range of subjects than with outsiders. Thus it is argued that national cohesion depends on the degree of communication intensity, and the latter in turn depends in part on the extent of government intervention to the arts. If the arts help us to understand who we are and to understand the ways of living and the problems of our fellow citizens then the benefits are public in nature and should be supported, at least in part, by the state. The problem remains that many other communication media, such as newspapers and magazines, do this and yet are not subsidised by the state.

3 Wealth Benefit II: Social Cohesion / National Prestige

That national identity and social cohesion are linked is also argued by Weil, who asserts that it is one of the primary functions of the arts to act as an agent of social cohesion and continuity:

Like language, the arts are one of the principal means by which a society binds itself together and transmits its beliefs and standards from


7 Similar arguments are used in relation to the preservation of a national language.
one generation to another. The arts perform this function when they embody, reinforce, and celebrate the values of their society, when they confirm and exemplify the lessons simultaneously taught by the family, by the formal structures of education, and by the various mass media in all their variety. In this function, the arts play a critically important role. Not only do they provide a kind of social “glue”, but they also furnish a means by which society can identify and distinguish itself from others.8

Weil claims, however, that this function of the arts is not as important as it once was, since this is a role now increasingly assumed by the mass media. In addition, he argues that the arts that perform this primarily social cohesion/national identity function are largely able to support themselves through market demand and hence need little if any state funding.

International recognition and prestige are often posited as a benefit of the arts that is related to social cohesion and national identity, and like these is public in nature. Few people, it is argued by Baumol and Bowen, would be happy if their country ‘became known abroad as a cultural wasteland, a nation in which Mammon had put beauty and art to rout’.9 They go on to cite the billions of dollars that the United States government had spent on getting first to the moon, much of which expenditure was justified solely in terms of a national feeling of achievement. Thus nations are like individuals; they can derive huge standing and prestige from owning large collections of art or from supporting major artistic activities like orchestras and theatre.

National prestige though is a very dubious grounds on which to base a public subsidy argument. First of all, many more people, especially in Ireland and Scotland, might be concerned about the international standing of their football team or their tennis or golf players or drinks industry than that of their arts sector. It could be, though, that professional football or golf will exist perfectly well without any subsidy, and therefore generate a positive benefit anyway, whereas the arts sector may not be able to sustain itself (at levels that generate national prestige) commercially without subsidy, and hence, in the absence of subsidy, no positive wealth benefit for society will be forthcoming. Second, it implies that the wealth benefit arises only if the arts sector is doing well compared to that in other countries: if standards

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improve in all of them simultaneously, there is no observable increase in this collective benefit, or if standards increase in one country but not as quickly as in others, then the benefit will effectively decline. Third, there may be no link at all between national prestige and national identity. For example, it is possible to gain international prestige in something which has little if anything to do with distinctiveness, in terms of defining what it is to be ‘Irish’ or ‘Scottish’. International prestige though could be strongly linked to social cohesion and have this in common with national identity. Besides, it is often the national/regional distinctiveness of a contribution that leads to international prestige, Ireland and Scotland providing many examples of this.

4 Wealth Benefit III: Experimental and Innovative Work

There is also though a social criticism role of the arts which is almost the polar opposite of the national identity and social cohesion role. Weil sees the former role, that is, the arts acting as an agent of social disruption and change, as an equally important function of the arts:

> Just as the arts, in some instances, may be used to embody, reinforce, and celebrate the values of their society, in other instances they may come to function as the vehicle by which those values are confronted and questioned. It is in this second and more ‘romantic’ function that the creative individual is sometimes seen as the rebel, outsider, or *artiste provocateur* who employs his or her art to wage guerrilla warfare against established forms, authorities, values, institutions, and truths.

> Functioning as agents of social disruption and change, the arts in this use may intrude rudely upon our everyday sensibility, force us to consider the most extreme possibilities of the human condition, and prod us to think more profoundly than is comfortable about ultimate matters of life, death, and our own contingency.\(^{10}\)

The social criticism arguments are really though a part of the more general argument for public support for work that is experimental and innovative and has public-good dimensions. An analogy can be drawn between subsidies

\(^{10}\) Ibid., 158.
for experimental work in the arts and subsidies for academic research and development. It is argued that the social returns for major innovations far exceed their private returns and that it may be that a similar condition exists for major new arts innovations. The argument is that in the arts, as in industry, there are major development costs, but that unlike industry it is virtually impossible in the arts to ensure that these costs are met by consumers or other producers who use the output of the arts sector. Herein lies the argument for copyright protection, and for the role of the state in granting an exclusive copying right for artists. But copyright protection is not enough it is argued. There are aspects of the output of artists that are used to benefit others but which cannot be protected under copyright. Films and TV may draw their inspiration and lifeblood from ideas created in the arts, by adapting and popularising a concept developed there and yet in no way be in breach of copyright. Commercial and industrial design may be influenced by and adapted from breakthroughs in the arts, again without being in breach of copyright. Thus artworks are not strictly speaking being ‘consumed’: the consumer does not see the creative work in question, but only a diffusion of the work, through for example the medium of cinema or television, or through particular styles of industrial design.11

This argument applies in particular to creative artists, but it also applies to performing artists in the following ways. Composers and dramatists need performing artists to test and experiment with their works;12 just as the experimental scientist needs a laboratory and engineers and technicians, the experimental dramatist needs actors, actresses and a theatre. Likewise, the experimental artist needs exhibition space and an audience upon which to test and diffuse his / her ideas. Thus, creative and performing artists involved in experimental work could, justifiably, be funded 100 per cent from public money. And as with all such experimental work, a high level of ‘natural wastage’ can be expected in the search for innovation and novelty.

11 Netzer also draws attention to the spinoffs for the commercial arts sector: ‘the consumer of one form of music is likely to derive some benefit from the flourishing of another form even if he does not patronize it and may actively dislike it. If that form cannot flourish on its own, it may have a legitimate claim to public subsidy financed by tax payments from consumers of the other forms’. See D. Netzer, The Subsidized Muse: Public Support for the Arts in the United States (Cambridge, 1978), 23.

12 It has been argued that one of the reasons why the work of females as composers did not ‘blossom’ in the past may have been that they could not get their compositions performed by the ‘old boy’s network of orchestras and opera houses’. See, ‘Women Composers: Her, Her’, Economist, 4 October 1997.
5 Wealth Benefit IV: Option Demand for Future Generations

The argument in relation to option demand for future generations is that actions taken in the present may mean that some aspects of the arts will not be available in the future. In the case of the performing arts, it is argued by some that the art of performing will be forgotten unless it is continuously practised: in relation to an artifact or historic monument, clearly if it is destroyed, or is removed from public access (by for example a sale to a private buyer, especially from abroad), it will not be available for consumption by future generations.

Let me take the more difficult case to argue here, namely in relation to the performing arts. The essence of this argument is that there is a benefit for present generations involved in the consumption of the arts by future generations: present generations may derive benefits from knowing that the performing arts can be enjoyed by future generations. However, provision for the future may require public support in the present, if current demand for the performing arts is not sufficient to ensure their preservation for posterity. This argument is put forcefully by Baumol and Bowen as follows.

We have all met people who admit they have never themselves learned to enjoy a particular art form, but felt it important that such an opportunity be available to other members of their families. The same phenomenon has a significant extension to the posterity of the community as a whole…

…A program to preserve the arts for the nation’s posterity is a case of indiscriminate benefits par excellence. No one can say whose descendants will profit one hundred years hence from resources now devoted to that purpose. Neither can these benefits be priced and their cost covered by an admission charge.13

This argument is certainly relevant to the built heritage and museums. The argument also applies to live performance if the idea is accepted ‘that present creation and performance serves to establish, preserve and enhance traditions in music and theatre which can only be passed on to future generations by a continuation of live activity’.14

This argument suggests an analogy with the preservation of areas of natural beauty and other natural amenities. It is true that if we destroy areas of

13 Baumol and Bown, Performing Arts, 384–5.
14 Throsby and Withers, Handbook of the Economics of Art and Culture, 199.
natural beauty today, there is no resource-using activity which can bring about their future restoration. The analogy certainly applies to the built heritage and museums, but it could be argued that the performing arts are not like a painting or sculpture: tradition is an organic and not a static concept and, as such, the notion of ‘preservation’ for future generations is not even applicable. This point is made also by Globerman when he states ‘that the art of performing is as old as recorded history, notwithstanding the fact that broad-based (government) intervention in the culture industries is a relatively recent phenomenon’. He also makes the valid point that while live artistic performance is clearly a perishable service, the advent of videodiscs and other audiovisual devices makes it possible to fix live performance and store it for future generations.

A key assumption underlying this debate, though, is that future generations will derive a benefit from having collections and national monuments preserved and that present generations derive a benefit from knowing this and are prepared to pay for this through taxation. The primary potential benefit in this case relates to national / regional identity and hence the above is in many ways just a subset of the earlier, and crucial, national identity argument. In other words if there is not a strong national / regional identity argument then the impact of the preservation for future generations argument is significantly diminished.

6 Wealth Benefit V: Economic Spillover

In many countries, including Ireland and Scotland, the promotion of employment and regional balance through state employment and tourism agencies is accepted government policy, involving large public expenditures. Given this, is there a role for the arts in the government’s policy of promoting employment, economic growth and balanced regional development?

There are three main ways in which the arts could contribute to increasing employment. First, they provide direct employment for artists, administrators and other staff. Second, they may be a factor in influencing tourists to visit an area, city or country, thereby enhancing employment prospects in hotels, restaurants, and so on. They could also be an important factor in shaping

15 Globerman, Cultural Regulation in Canada., 48.
16 See T. Bille, and G. Schulze, ‘Culture in Urban and Regional Development’, in V. Ginsburgh and D. Throsby, Handbook of the Economics of Art and Culture (Amsterdam, 2006), for a review of this literature.
decisions on whether or not to locate a commercial operation in a certain city, region or country.

It must be recognised, of course, that many other enterprises—such as good golf or football clubs, good pubs or amusement parks—may have similar employment effects. It could for example be claimed, especially in the cases of Ireland and Scotland, that good golfing facilities are a key factor in attracting entrepreneurs to an area, with consequential benefits for the arts. As such, you could argue that the public subsidy should go to the golf clubs rather than to the arts. This example illustrates the inherent difficulty with the economic-spillover argument. For example, the existence of good-quality transport facilities, theatres, restaurants and accommodation may be key factors in attracting tourists to an area: thus the presence of one means more business for the other and vice versa, all of which will be reflected in market transactions.

The basic point, then, is that it has to be shown that the arts are more suited than other unassisted economic activities to promoting employment; in other words, it must be demonstrated that the arts constitute a special case. This would not be easy to establish for any activity. A less demanding task, perhaps, is to demonstrate that the arts are at least as much of a special case as some currently subsidised activity.

First, it is interesting to note, especially in today’s economic context, that in the 1930s the United States introduced its celebrated Arts Project as part of the New Deal’s Work Progress Administration, the purpose of which was to reduce the unemployment caused by the Depression. This scheme was considered reasonably successful in terms of achieving its objective and was only phased out with the advent of the Second World War. In the current economic slowdown similar schemes are being considered again. In Europe of the 1980s and 1990s, many similar state employment schemes were introduced with those working in the arts availing themselves substantially of these schemes in some countries.

Second, there is some evidence to suggest that the existence of adequate cultural institutions has been an important factor in attracting business and tourists to a region. In this case, the arts may form part of the social infrastructure that some see as a necessary condition for locating/working in an area. Other studies have found similar results, findings which at the very minimum have been significant in influencing some politicians in Europe and the United States to foreground the financial importance of the arts at a local

17 See Bille and Schulze, ‘Culture in Urban and Regional Development’, Handbook of the Economics of Art and Culture.
level. Much of the cultural attraction of an area or city to tourists, though, may arise in the commercial arts sector (e.g. Broadway in New York, the West End in London, Rock concerts in Ireland). Where the real benefit might arise relates to the heritage sector (for example, history museums, buildings of architectural interest, and so on).

Is it plausible, then, to argue that there is a two-way economic link between, for example, the Edinburgh Festival and good restaurants, accommodation and transport facilities in Edinburgh? Many believe that it would be much more convincing to argue that the direction of causation is primarily in one direction, from the Festival to the other facilities and that as such economic spillover effects do exist.

There are though other spillover effects on the production side resulting from arts activity. The possible beneficial effects on industrial and commercial design, and on the output of the more commercial aspects of the cultural sector have been discussed above. There are also potential benefits in terms of the training of artists in the non-commercial sector. The extent of this cross-benefit is, however, debatable. If the commercial cultural industries (particularly TV programme making and films) benefit from training provided in the arts sector, can this not be ‘captured’ by the artists themselves in terms of higher incomes and/or increased employment opportunities? This is true of the successful artists, but not so for the thousands of artists that the system has supported free of charge. The problem then is that either the successful artists or the hiring companies should have to repay part of the cost to the state of training or else that the state-funded companies should not be in the business of providing such training. This is a difficult principle to apply, as advocates of full-cost university fees for students have found. Not surprisingly one finds that many in the commercial sector appear to support state funding of the arts, presumably on the basis that the subsidised arts sector provides a relatively free (in terms of training costs) pool of labour and ideas from which they can benefit.

7 Concluding Comments

This paper has covered a wide range of issues and it is not the intention here to summarise what has been said. The intention rather is to highlight what I consider to be the key general points and to add some further caveats at this stage to this discussion.
First, the distinction between private and non-private or public wealth benefit is crucial to the debate on state funding for the arts. The important question then becomes: what is the nature of the non-private wealth benefit generated by the arts and how extensive is it likely to be, particularly in relation to the private benefit? The relevance of the last point is that while other activities may also generate non-private benefit, if it is small, compared to the private benefit, the activity may be perfectly capable of sustaining itself commercially without any state funding.

Second, the nature of the non-private wealth benefit can be grouped into five categories: the development of national identity; contribution to social cohesion and national prestige; the development of socially critical and other innovative or experimental work; the creation of an option demand for future generations; and, last, the creation of economic spillover effects.

Third, the existence, and certainly extent, of the non-private wealth benefit is a matter for conjecture and extensive debate. It is one thing to assert that it exists, quite another matter to put a value on it, at least in terms of required state funding.

Fourth, the whole argument of this paper is that the non-private wealth benefit, especially that relating to national identity, must be established if public funding is to be justified. For some countries this might seem a pointless exercise. Large parts of their arts sectors are in the public or nonprofit sectors, and the relevant question here might be why change from this type of provision? It could also be argued that the starting point does not matter, as it is historically given and is unlikely to change for a long time. The emphasis then, it could be argued, should be on value for money, attention to user interests (educational and other) and efficiency in the provision by the state agencies involved with the arts, not on whether they should exist or not.

Fifth, despite the last point, it will probably be always the case that some sectors of the arts will be under pressure in terms of public assistance and others will be seeking to increase public assistance. As such, the case in principle for public assistance to the arts needs to be continuously refined and updated particularly in the context of small countries/regions whose institutions and traditions may be threatened by the power of metropolitan organizations and by a globalised cultural marketplace in which they can only ever have an occasional presence.
In this paper I want to take issue with the conventional wisdom that the value of arts and culture lies in their economic pay-off. I will argue that this is an assumption of the last thirty years, deriving from the hegemony of neoliberalism which, arguably, is turning out to be the latest ideological god that failed. I will focus my discussion on Scotland, which I know best, and while there is a case for arguing ‘Scottish exceptionalism’, I take the view that the exception often proves the rule.¹

Culture and the Nation

At the risk of oversimplifying, the conventional wisdom might be taken as follows: that distinctive national culture drives national identity, and that together they drive politics such that ‘a people’ express that national identity in the quest for self-government. The sharpest account, in my view, is that of the Czech sociologist Miroslav Hroch² who argued that nationalist movements follow three phases: the first, in which small-scale scholarly enquiry uncovers the cultural basis of the nation, collecting linguistic, folkloric and historic fragments and assembling them into a mosaic of national culture; the second, in which a wider range of activists are drawn into the campaign to ‘awaken’ the nation from its slumbers; and the final phase whereby a mass movement pursues political self-determination as the means of expressing this unique national identity. I imagine that Hroch’s account of cultural nationalism, mobilisation, and mass politics will resonate with Irish readers, not because it describes precisely what happened in the movement to Irish independence, but because it has become a familiar account, ex post facto, of the process. In the history of nationalism in these islands, it seems the ‘truest’ account, involving a struggle for national liberation based on a historic mobilisation of distinct cultural markers—religion, language,

ethnicity—to the point at which independence can come to seem ‘inevitable’ well after the event. Nationalism on the big island across the water is less clear-cut. England is the elephant in the room; the nationalism that dares not speak its name. Wales, to be sure, has linguistic distinctiveness at least on a par with Ireland (around 20% claim to speak or understand Welsh), but a political nationalism weaker than its Scottish counterpart. That this seems so is intellectually curious, for the conventional wisdom tends more to Benedict Anderson’s view³ that Scotland was not culturally distinctive enough from England to survive as a separate self-governing nation after 1707. Thus, it was a vigorously Protestant country, albeit of a more fundamentalist strain than the English; its lowlands were English-speaking; and after the failure of the 1745 Jacobite Rising, in which they played a neutral-to-oppositional part, sufficiently ‘unionist’ to acquiesce, and even prosper, in the British state and empire.

The conventional wisdom about the Scots is that their lack of cultural distinctiveness from the English meant that the demand for outright self-government was weak. Maybe if Scotland had been Catholic, or Gaelic-speaking, or non-white, for example, the story might have been different. It is important, of course, to bear in mind that the 1707 Union meant that the Scots retained considerable self-government, notably control over law, religion, money, local government, and a myriad of boards which in the nineteenth century were consolidated into the Scottish Office; a self-governing entity without direct political control. Whatever Scotland was, however, it was emphatically not a colony of England, but what Tom Nairn called a junior partner in British imperialism. The fact that it took almost the whole of the twentieth century for direct democratic accountability to occur in the recovery of a home rule parliament in 1999 gave rise to an influential strain of writing about the relationship between culture and politics. This was often depicted as a failure of will, of deep and abiding socio-psychological barriers to self-government.⁴ Here is a flavour of Nairn’s argument, updated twenty five years later: ‘If there is one thing that the Scots in particular know all about, it is self-colonisation. They lived it for three hundred years after the treaty of Union in 1707’.⁵ Nairn warms to his theme:

The sententious moralism of the marginalised; disregard of democratic deficit for economic opportunity; cultural over-compensation and romantic chest-beating, to efface or embellish powerlessness; over-effusive loyalty to a distant cause and metropolis, welcomed and yet somehow never welcome enough—all these tropes of a supposedly post-national worlds are, alas, tired old family skeletons in Edinburgh and Glasgow.

Others take issue with this overly culturalist and socio-psychological explanation for the lack of self-government, on the grounds that it is an over-elaborate and under-evidenced account demanding the use of Occam’s razor. Put simply, the alternative view is that Scotland actually had considerable self-government within the British state and empire, enough for swathes of its population to prosper. ‘Scots on the make’ was the cry from the south, both in terms of economic and political opportunities. This was an unlikely cry if Scots had been a classically oppressed people. The Union and Empire gave Scots greater opportunities than they would otherwise have had as a small, poor state on the fringes of North-West Europe, as well as safeguarding institutional autonomy and (lower-case) self-government. Only in the final quarter of the twentieth century did the movement for greater self-government emerge, on the back of North Sea oil, greater political control from the British centre, and a significant divergence in electoral behaviour north and south of the border. Thatcher, and Thatcherism, became the midwife of Scottish home rule. Nevertheless, the pathological reading of Scottish culture and politics was too attractive for some to give it up. In 2003, a book by Carol Craig called, revealingly, *The Scots’ Crisis of Confidence*, attracted much media attention, as well as money from the Labour/LibDem Scottish government/executive of the day, to cure us of our debilitating psychological habits. The argument, of course, was baleful and self-propagating. It will be familiar to the Irish (at least to older people), for Ireland too allegedly suffered from a dominant trope of personal repression and backwardness until it was replaced by its opposite—success and self-confidence, the so-called Celtic Tiger. Elsewhere, I have commented that: ‘This approach is sometimes reinforced by a sub-genre of émigré writing which depicts the homeland either as an idyllic *tir-nan-óg*, or (sometimes as well as) a culturally barren, benighted landscape.’

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7 David McCrone, ‘Cultural capital in an understated nation: the case of Scotland’,
The point I am making here is that such culturalist accounts for (the lack of) political and economic development have powerful appeal despite (or perhaps because of) their lack of systematic and rigorous evidence to back them. They are predispositions of considerable cultural power which set the frame for economic and political agendas. They may be wrong, in sociological terms, but they are powerfully wrong in setting the frame for debate. We might take the view that hard-headed bureaucrats and those in charge of development budgets have little truck with such culturalist preconceptions. Our research suggests this is wide of the mark. In research on economic agencies as part of our Leverhulme funded programme on national identity and constitutional change, we discovered that nationalism and national identity played an important part in the work of economic agencies. In other words, such agencies use national identity as a form of economic promotion. We identified four narratives: the first, we called ‘reiteration’, the capacity to emphasise national qualities and traditions. ‘This is who we are’, for example, a people who value education and innovation. The second was ‘recapture’, where past successes (for example, nineteenth century entrepreneurship) are a resource for solving current problems: ‘we can be that again’. The third was ‘reinterpretation’, whereby historically ‘negative’ features such as language or under-development are rebranded as contemporary advantages: ‘This is what it really means to be us’. Finally, there is ‘repudiation’—‘we are no longer those people’—giving up an old industrial legacy and its mentalité.

The point of these narratives is not that they are histories—they don’t have unalloyed truth status—so much as accounts propagated in the quest for economic development. What is important is that they are a key cultural resource. They make the point that there is no clear dividing line between ‘culture’ and ‘economics’, between what we might call emotionality and rationality. My research colleagues, Steve Reicher and Nick Hopkins, who are social psychologists to trade, have observed that the conventional wisdom is that people, by and large, are driven by rational self-interest, by profit-and-loss accounting. In other words, the pursuit is less of happiness as of economic self-interest (‘it’s the economy, stupid’). They argue that this is why we get debates about ‘culture’ and the arts in terms of their economic potential, in terms of the supposed value-added, the pay-off in jobs and so on. I’m always somewhat amazed (and sceptical) of the claims that an investment of £y in

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*British Journal of Sociology, 56 (2005), 72.*

the arts generates £y+. There is more than a touch of the Hitchhikers Guide to the Galaxy in that; you will recall that the computer was asked to answer the question: what is the meaning of life, and replied, ‘42’. When asked what kind of damn-fool answer that was, it retorted that it was a damn-fool question to ask in the first place. The conventional wisdom has been that hard economic self-interest allegedly predominates in social affairs, and that other things like culture, identity, arts, even politics are soft and derivative. Except that the current economic crisis seems to have undermined that. In the cold light of 2009, it doesn’t seem to be that way any more. We are told of ‘animal instincts’ driving markets; that the rational and the emotional are not opposites. Reicher and Hopkins comment: ‘Without both knowing and feeling, we would either have an idea where we are but no idea where we want to go, or else a sense of where we want to end up but no sense of how to get there. In either case, we couldn’t behave in a meaningful way’.9

There is nothing quite like a crisis to undermine conventional truths. The collapse of the god of the market reveals what was always ideological; that supposed truths were no longer self-evident, or at least built somewhat on sand. Hegemony of ideas depends on the taken-for-granted, what the sociologist Pierre Bourdieu called habitus,10 a powerful form of cultural capital which habituates behaviour and assumptions as givens, until they are shown to be just that, assumptions. You will recall the comment by Humpty Dumpty in Alice in Wonderland:

When I use a word, it means just what I choose it to mean—neither more or less.
The question is, said Alice, whether you can make words mean so many different things.
The question is, said Humpty Dumpty, which is to be master—that’s all.

What I am saying is that we adopt cultural assumptions as givens, even where these do not seem ‘cultural’ at all. The ‘fact’ of the free market, if you like, is in essence a cultural belief. We operate within them as if they are ‘facts’, and with them come stereotypes, which fall apart when circumstances change; that Scots make great bankers; that the Irish are Celtic tigers, and so on. It is always

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difficult to be sceptical of words which we take to be masters—that’s all. We have of course known at least since the time of Max Weber one hundred years ago that ‘rationality’ itself is a powerful ideology, that we reify it as a fact of social and economic life, until such time as we are forced to revise and adopt a new stratagem of rationality.

Much of this argument rests on what we mean by terms such as ‘economy’ and ‘culture’ anyway. The conventional wisdom, for example, would be to see the economy simply as a way to describe something that already existed, because all societies make things and market them, and buy and sell goods. However, as Timothy Mitchell points out, the idea of the economy belongs to the era of nation-states, in which ‘human sociality is understood as a series of equivalent national units’. 11 Further, the creation of the economy as a socio-technical project was in part the handiwork of economists whose ‘contribution was to help devise the forms of calculation in terms of which new kinds of socio-technical practice were organized, to monitor these forms of practice as though they formed a self-regulating system, and to put forward rival accounts of how the system worked’.12 Further, ‘the more work that was done to make the economy appear as a distinct object to be measured and managed, the more readily culture could appear as its own realm of government and expertise’.13 In other words, de-objectifying both economy and culture makes it more likely that we understand how they interact.

For its part, culture, like economy or society or polity, is not a distinct and relatively closed part of social life. It is defined less by its content than by its form: less ‘what’ than ‘how’. Thus, culture refers to the domain of symbols relating to social practices, rather than their objectification. Donald Dewar, Scotland’s First Minister in 1999, captured the essence in his opening speech when he spoke of ‘who we are, and how we carry ourselves’. In a more academic vein, Peter Worsley once pointed out that cultural traits ‘are not absolutes or simple intellectual categories, but are invoked to provide identities which legitimise claims to rights. They are strategies or weapons in competitions over scarce goods’. 14 Both are correct. Both de-essentialise culture, and treat it as a narrative or a rhetoric with which we give an account of ourselves and others. They get us away from the notion that cultures are

12 Ibid., 451.
13 Ibid., 463.
discrete and different, one from the other, and that out of these units spring nations, economies, societies.

**Culture in Contemporary Scotland**

What sense, then, can we make out of the relationship between culture, economy and politics in contemporary Scotland? It’s an interesting time to talk about that because we are coming up to the tenth anniversary of the Scottish parliament, so we have ten years of evidence on which to base our thoughts. Not only that, but since May 2007 there has been a minority nationalist government in power at Holyrood, so we have a comparison not only between pre- and post-devolution Scotland, but between unionist and nationalist governments. For unionists in particular, it seems a tricky situation, because, as the journalist Douglas Fraser pointed out, ‘perhaps it was because the arts and culture is where Scottish identity has its foundations, and that was seen as Nationalist territory best avoided’. 15 That may seem to be a straightforward enough statement, but we know from research on national identity that there is only a loose connection between how people in Scotland think of themselves in national identity terms, and how they do their politics. Thus, about half of SNP supporters define themselves as Scottish not British, what we might call ‘exclusive Scots’, and turning it round, just over a quarter of exclusive Scots support the Nationalists, and, at least in 2006, marginally more support Labour. Similarly, those who say they are mainly or exclusively British (it’s only 1 in 10 these days) are not dyed-in-the-wool unionists who believe that a Scottish parliament is the road to perdition. In other words, the relationship between ‘politics’, either in terms of which political party you support, or your preferred constitutional option, on the one hand, and how you construe your national identity on the other, is attenuated. The conventional wisdom is that Scotland is unusual, that it has weak cultural markers, and that its complex relationship within and to the British state makes it exceptional in these regards. Actually, that doesn’t seem to be so, because when you look at Wales or Catalonia or Quebec, other under-stated nations, you discover much the same thing, or, in the case of Wales where language is actually stronger, a weaker relationship between national identity and politics. At the same time, if you ask Scots whether they think of themselves in ‘political’ or ‘cultural’

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terms, they opt for the latter, just to reinforce the point.\textsuperscript{16} Neither has having a parliament made people feel more Scottish, in large part because at the start of the process in the late 1990s, the vast majority—two-thirds—put themselves at the Scottish end of the Scottish-British continuum anyway, and there is something of a ceiling effect. In short, Scots are Scottish first, and British second, and while most—over half—are content to say they are British to some degree, their national—Scottish—identity far outweighs their state—British—one.

The Politics of Cultural Policy

If Scots’ sense of themselves is strongly Scottish, as well as mainly cultural, how has the new parliament handled that? The first thing to notice is that there have been almost as many government ministers for arts and culture as there have been years of the parliament. Most have come and gone—nine in all, on a liberal count. In the first few years, they had deputy minister status, and combined with other briefs, notably sport and tourism, and since 2003, ministerial status. The longest serving, Patricia Ferguson, did 3 years. Since the change of government in 2007, when the incoming Nationalists decided on fewer and larger ministries, there has been a minister for Europe, External Affairs and Culture (Linda Fabiani) and when she lost her job in 2009, a minister for Culture, External Affairs and the Constitution (Michael Russell). Incidentally, when Mike Russell took up his portfolio, he quoted Charlie Haughey, that the real purpose of living was finding the importance of things beyond ourselves in the happiest and most creative way.

One would be hard pushed to find real difference in the policies and even the rhetoric towards the arts between the unionist government before 2007, and the nationalist one thereafter, apart from the usual genuflections towards the union on the one hand, and how much better things would be in an independent Scotland, on the other. This partly reflects the fact that arts and culture are not politicised in Scotland, that the nationalists come out of a strong ‘civic’ (political) rather than an ‘ethnic’ (cultural) background, and

\textsuperscript{16} We asked: ‘Some people say that being Scottish is mainly about Scotland’s landscape, and music, Scottish sporting teams, Scottish language and literature and so on. Others say that being Scottish is mainly about, for example, the way Scotland is governed, the Scottish parliament and how Scotland runs its affairs.’ On a scale of 1 (cultural) to 7 (political), the median score is 3, with 31 per cent on points 1 or 2, and 5 per cent on 6 or 7, in other words, a ratio of 6:1 in favour of the ‘cultural’ meaning of being Scottish. (Scottish Social Attitudes, 2006)
above all, that they are faced with similar tricky problems. All are agreed on
the income-generating function of arts and culture, and putting tourist bums
on seats. It was the Labour/LibDem government which helped bring about
the successful National Theatre of Scotland (NTS) which managed to avoid
regional rivalries within Scotland by setting itself up as a virtual theatre, and
not one in competition with local arts organisations. It was helped by having a
young, dynamic Englishwoman in charge, whose early hit was ‘Black Watch’,
a play about Scottish soldiers (in the British army) in Iraq, which played to
packed houses. If that was the helpful legacy from the unionist government,
its baleful legacy was Creative Scotland, a forced marriage between the
Scottish Arts Council and Scottish Screen, which brought down one minister,
Fabiani, after the proposal was defeated in parliament in late 2008. You pays
your money and takes your choice as regards explanations for this ongoing
debacle, be it the potential of direct ministerial interference in the arts which
raised artistic hackles, the marriage of strange bedfellows, cack-handed
political incompetence in getting legislation through a parliament where
the government is a minority, the bureaucratic legacy embedded in Scottish
Arts Council, or the fact that Scottish Enterprise holds most of the purse-
strings. Still, at the time of writing, the bill is not dead, but like the Monty
Python parrot, merely resting. It lives to fight another day, this time with a
new master/minister. What is slightly chilling is that at one point the chair of
the joint board, a retired bishop no less, exclaimed: ‘the idea of creativity must
include the whole of humanity!’—a chilling thought, because it feels at times
that they’re all being consulted.

Behind it all lies the issue of what arts and culture are for in Scotland,
and the assumption that it’s about income-generation and tourism rather than
developing the national soul. After all, we have learned to look across the
North Channel to Ireland where you have, belatedly, become our benchmark
in these matters. This is interesting in itself, because only in the last twenty
years have we looked west rather than east (to Scandinavia) to emulate Ireland’s
development. Whether that will continue remains to be seen, given the serious
economic downturn. Two recent developments prove the point that imitation
is the most sincere form of flattery. About a decade ago, Scottish governments
invented Tartan Day (oddly midwived in 1997 by some right-wing Republican
politicians in the USA) as a clear take-off of St Patrick’s Day, and a device
for liberating American investment money. To date, it’s hard to quantify that,
apart from the curious and conflictual proposal by Donald Trump to build yet another golf course in Scotland, this time in Aberdeenshire, in memory of his mother who came from Lewis, which, if your geography is even half-decent, is on the wrong side of the country, and a long way away from the east coast, even as the proverbial crow flies across the Grampian mountains. This process of chasing the dollar is also to the fore in ‘Homecoming 2009’, a year-long event designed to attract Scots abroad to the motherland, except that it too is focused on the USA, rather than on Canada, New Zealand and Australia where most Scots settled. It is curious too because by and large, and unlike the Irish, Scots quickly went native when they emigrated, and did not stay in large communities, preferring, because they were more skilled and affluent, to take their chances as sturdy individualists. Apart from annual shindigs at Burns Suppers and St Andrew’s Night ceilidhs, to say nothing of ersatz Highland Games, Scots were pretty well invisible and went native except when it suited them, which wasn’t very often.

National Tartan Day is 6 April under Senate Resolution 155, allegedly being the date of signing of the Declaration of Arbroath in 1320, which, says the website, ‘asserted Scotland’s sovereignty over English territorial claims and which was an influence on the American Declaration of Independence’. So far, so dubious. The idea was borrowed from Canada which had instigated a national tartan day in 1993. The website goes on:

> Around the country [the USA, that is] a true grass-roots effort took place. Thousands of Scots-Americans found ways to observe the first Tartan Day in churches, on village greens, at Scottish festivals, at social gatherings, and in the home. It would seem that at last the Scots in America had found a cause around which all could rally. Tartan Day was observed on April 6, 1997, for the first time in US history. And it is a day that will be observed so long as there are Scots who care about their heritage.

What is interesting is that this is entirely a ‘for export only’ affair. Natives in Scotland would look blankly if you told them on 6 April that this was Tartan Day; more like the start of a new tax year, they might reply. In truth, it owes far more to the quest by Americans for roots, and the allowances made in the census form to indicate your ‘ethnic’ origin as well as your citizenship.

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Thus, ‘Today, over eleven million Americans claim Scottish or Scotch-Irish roots—making them the eighth largest ethnic group in the United States’. It is also a reflection of the success of the Irish in the States, but at least 17 March has meaning back home.

If National Tartan Day is an American affair, then Homecoming is the creature of the Scottish tourist industry, supported by the Scottish Tourist Board, or ‘VisitScotland’ as it is called these days, ‘EventScotland’ [interesting how one word is made out of two in marketing jargon] and the Scottish Government. Who is it for? ‘… whether you’re a Scot, of Scottish descent, or simply love Scotland …’19—the last giving the touristic game away somewhat. It doesn’t matter if you don’t have any Scottish blood; just come here—please!

One might gently mock these endeavours, but they have a serious import, namely, to grow visitor numbers; and the marker is Ireland. No-one is deemed to have done it better. It is a moot point as to whether what is on sale here is authentic national culture—it depends, after all, what one means by ‘authentic’. Back in 1995, I published a book called *Scotland—the Brand*20 in which I used MacCannell’s concept of ‘staged authenticity’.21

The touristic way of getting in with the natives is to enter into a quest for authentic experiences, perceptions and insights. The quest is marked off in stages in the passage from front to back. Movement from stage to stage corresponds to growing touristic understanding. This continuum is sufficiently developed in some areas of the world that it appears as an infinite regression of stage sets. Once in this manifold, the tourist is trapped; his road does not end abruptly in some conversion process … as he breaks the bounds of all that is pseudo and penetrates, finally, into a real back region. Tourists make brave sorties out from their hotels hoping, perhaps, for an authentic experience, but their paths can be traced in advance over the small increments of what is for them increasingly apparent authenticity proffered by tourist settings. Adventuresome tourists progress from stage to stage, always in the public eye, and greeted everywhere by their obliging hosts.22

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The point, of course, is to treat the authentic as a construction, mainly but not exclusively, for touristic purposes. The natives do not escape either. They too are drawn in to be extras, and like actors, play the best parts the more they enter into the spirit, such that it becomes difficult to distinguish the real from the performative. Thus, ‘ordinary’ Scots are drawn in to celebrate Hogmanay much as tourists are. No longer is it a matter of dark men going round the neighbours first-fitting, clutching a lump of coal and a piece of black bun. We are willingly coopted into our parts as ‘real Scots’. We are ineluctably drawn in to play the roles allotted us, confirming, as it seems to, what it means to celebrate our national identity. It is just as impossible and foolhardy to pretend we can celebrate the ‘real’ from ‘authentic’ aspect of our culture as it is for Trobriand Islanders, who, quite possibly, are better at game-playing than we are.

Conclusion

What, then, does the sociologist have to offer this analysis of culture and heritage? The first point to make is that the economist’s reading gets us only half-way down the road. To be sure, the issue here is marketing what passes for the past, heritage, but that doesn’t explain why it, or some of it, has cultural power. Heritage cannot simply be equated with ‘the past’ because it is a selected, a constructed, even a manufactured version. In the rise of the heritage industry, which our book attempted to analyse back in the mid-1990s as regards Scotland, ‘Heritage’ is a rather pale version of the French term ‘patrimoine’, closely allied to rural imagery and peasant culture, as well as according to the Code Civil, ‘inheritance’, legally defined. Pierre Nora, whose massive study Lieux de Mémoire (Realms of Memory), has added so much to our understanding of French national culture, pointed out that in the late 1970s/early 1980s, there took place a shift in the meaning of ‘patrimoine’ from the narrow legal sense to refer to French national and artistic treasures.

The focus is not on the inert past but the active present. Heritage is not simply read off what is ‘there’; in other words, it is not ‘history’, archaic relics, but a reinvention or re-membering of what is active and meaningful in the here and now. Places of heritage—Newgrange, Edinburgh Castle and the like—become centres of spectacle and display, not simply for economic reasons (‘come and see what we are like, pay the entrance fee’) so much as

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being allowed into a cultural world which signifies (in that semiotic sense) who
We are in national identity terms; being let in, as it were, to a secret. Heritage,
as such, does not carry within it a single, oppressive social message. For
example, in a Scottish context, the appropriation of tartanry by the Victorian
monarchy and its associations with the landed elite in Scotland, does not rule
out a radical interpretation of a more populist kind. At the end of Scotland—the
Brand, I wrote: ‘Taken to extremes, the view that what matters is authenticity as
performance can quickly be reduced to a kind of double reflexivity—tourists
watch a ‘native’ performance which is put on for them by knowing actors,
and what’s more the tourists know that. In sum, what is on offer is playful
behaviour, and no harm seems to be done’. 24 However, as Bruner pointed
out a couple of years earlier, this might require inversion, namely, that the
tourist self is changed very little by the experience, whereas the native self is
transformed in the process of re-presentation. Perhaps in the marketing of
heritage and culture, Scotland (and Ireland) are experienced as lands ‘out of
time’, as ‘enchanted fortress(es) in a disenchanted world’. 25 Selling culture and
heritage may require alienating them, and we all end up believing in our own
stereotypes whether we like it or not.

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24 David McCrone, Angela Morris and Richard Kiely, Scotland—the Brand, 209.
The Economics of Identity: Heritage as a Cultural Resource in Ireland, 1922–89
Pat Cooke

Introduction

This paper examines the exploitation of heritage as an economic resource in the context of the nation state. The specific field of analysis is the interaction of cultural and economic factors in Ireland’s exploitation of heritage in the period since it gained independence in 1922. The main prism through which this question will be examined is tourism, based on the premise that it offers a socio-economic form through which we can observe the implications of treating culture as an explicitly economic resource. The survey concludes by offering some observations on whether cultural identity in its national and local forms can survive the ‘industrialisation of heritage’ and the encounter with globalised forms of cultural consumption.

Can we offer culture for consumption without being consumed in the process? From the moment the brutalising effects of the industrial revolution on society became manifest in the nineteenth century, critics such as Carlyle, Ruskin and Arnold began to express anxieties about the impact of industrialisation on cultural life. By the mid-twentieth century, the focus of anxiety had shifted to the baneful industrialisation of art and culture through the mass media of film and radio. All human needs, wrote Adorno and Horkheimer, have been anticipated by the entertainment industry; the individual has been turned into the ‘eternal consumer’, the mere object of the ‘culture industry’. Among more contemporary commentators, late capitalism’s enfolding of art and culture within the field of consumption has been declared an all-but inescapable fate. Baudrillard insists that all aspects of our experience now take the commodity form. Frederic Jameson sees the present moment as ‘marked by a dedifferentiation of fields’, such that culture

has become ‘profoundly economic or commodity oriented’.5

Culture, in other words, has become indistinguishable from economics – something which cultural commentators, on the whole, do not look upon as a positive development. But is this too pessimistic, or too determinist? Is it possible for culture to survive the encounter with commerce, and even to emerge enriched from it? Are we capable, in a pungent phrase Nick Stanley adapted as the title for a study of the impact of tourism on the Polynesian people, of ‘being ourselves for you’ while retaining an autonomous sense of self?6 Can we be economical about heritage without being entirely economical about the kind of truth that the search for cultural identity embodies? In this paper these questions will be explored by looking at how Ireland has fared since achieving independence in 1922 in exploiting its heritage as an economic resource.

**Heritage and the heart of Ireland**

Since the turn of the nineteenth century the Irish have been among the world’s great practitioners of identity politics, to the extent that the modernisation of Ireland has come to be seen primarily in cultural terms. UNESCO’s Culturelink entry on Ireland notes that ‘one of the main cultural characteristics of the Irish population is a preoccupation with cultural identity and national character at the intellectual and artistic level’.7 In *Inventing Ireland* Declan Kiberd argues that Ireland’s writers and political activists in the period between the 1890s and the achievement of statehood in 1921 ‘achieved nothing less than a renovation of Irish consciousness and a new understanding of politics, economics, philosophy, sport, language and culture in its widest sense’; that they forged, in other words, a credible, synthetic vision of culture as ‘a whole way of life’.8 Yet that era is hardly memorable for economic ideas that could be deemed in any sense commensurate with its distinctive literary utterances. In any case, Kiberd’s painful conclusion is that the synthetic vision of this cohort of modernisers was betrayed in the achievement of independence. Ireland came to be ruled by ‘conservative rebels,’ very few of whom turned

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out to be ‘revolutionaries imbued with a vision of an alternative society’. He invokes Fanon’s dark diagnosis of the post-colonial malaise as descriptive of the Irish case from the twenties onwards: ‘The leader pacifies the people’ and asks them to ‘fall back into the past—and to become drunk on remembrance’.9 Heritage, one might be inclined to assume, must have served as a ready vessel in which to serve up this soporific libation to a people woozy on political freedom.

Surprisingly perhaps, the early leaders of post-independence Ireland made very little fuss about heritage in the way we do today. Insofar as they thought about it, their primary, if not obsessive, focus was on the Irish language and its intangible heritage of writing and oral tradition of story and song. But their attitude towards the tangible heritage of monuments, remnants and landscapes that we nowadays recognise as constituting national heritage was desultory at best, negligent at worst. Though a National Monuments Act for the protection of archaeological heritage was enacted in 1930, it was not implemented with any particular zeal. During a Dáil debate on the Tourist Traffic Bill of 1951, Declan Costello remarked that ‘probably because of lack of interest more than anything else the National Monuments Act has not proved sufficient to preserve effectively and mark out the historic monuments and sites throughout the country’.10 In 1934, the teaching of nature study was made optional on the primary school curriculum to make more room for teaching compulsory Irish.11 This led to a dramatic decline in the number of pupils taking nature study, with obvious implications for the understanding and appreciation of natural heritage in the following generation.

Why then wasn’t heritage, apart from the language, at the heart of the nationalist project in the first decades of independence? A good deal of the explanation lies in Ireland’s unique configuration of religion, education and conservative politics during those years. With independence, the Irish inherited a cultural life dominated by the mores of the Catholic church. Right up to the 1980s, the church’s dominance of the educational system sustained a deeply conservative vision of cultural values. The capacity for independent critical thought was not cultivated through the educational system, as a result of which an autonomous cultural sphere, from which a critique of those very cultural and political forces that dominated Irish society might have been expected

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9 Ibid., 391.
11 Tom Garvin, *Preventing The Future: Why was Ireland so poor for so long?* (Dublin, 2005), 195.
to emerge, did not evolve; a torpid consensus on social and economic issues prevailed.

The first Dáil of 1919 had no ministry of education, this being seen as superfluous in the face of a system perceived as benignly controlled by the church. A Department of Education was eventually established in 1924, but its role remained constrained by the minimalist educational ambitions of successive Irish leaders, including Eamonn de Valera, the towering figure of mid-twentieth-century Irish politics. Tom Garvin caustically describes de Valera’s vision of education as an ‘essentially static system for a static society’. Educational historian John Coolahan’s summary comment on Irish educational policy post-independence is that ‘successive ministers for education adopted the view that the state had a subsidiary role, aiding agencies such as the churches in the provision of educational facilities’. Up to the 1960s, Irish politicians were content for the majority of the Irish people to be provided with only primary education. The attitude was epitomised in a memo written by the Minister for Industry and Commerce, Patrick McGilligan, in the mid 1920s:

…if a nation is to depend on its agriculture it must produce mainly a population of farmers: men of patience, endurance, thrift and modest intellectual aspirations. If it produces other types it must export them at an early age if it is not to risk the continual inner ferment of disappointed and distorted minds denied by circumstance their adequate exercise.

By the late 1950s, three out of every four Irish children did not proceed beyond primary education. In contrast, Northern Ireland, with half the South’s population, spent four times as much per head of population on education. It was only in the 1960s that Irish politicians at last began to speak of a new subject: the economics of education. Finally, in the 1980s, following the introduction of free mass education in the sixties, the majority of Irish students gained exposure to second and third level education. The numbers in third-level education, for example, went from 18,000 in 1964–5 to 93,000 in 1993–4. It is surely no accident that when the first wave of heritage zeal hit Ireland in the 1980s it coincided with the arrival in adulthood of the first wave of those who had benefited from mass education.

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12 Garvin, Preventing the Future, 171
14 Quoted in Garvin, Preventing the Future, 169.
15 Ibid., 202.
A crucial factor in explaining the torpor that typified Irish attitudes to heritage in the decades following independence is that all of the national institutions, including the Museum, Gallery and Library, came under the aegis of the Department of Education. That arrangement only ended in 1985 when they were transferred to the Department of An Taoiseach. In a country where for so long after independence the link between education and economic development went unrecognised, it is hardly surprising that it took so long to recognise the educational, not to mention economic, potential of heritage.

It was the Free State’s Minister of Education, Professor J.M. O’Sullivan, who set up the first review of the National Museum in 1927, with a view to aligning its functions with the aspirations of a newly-independent nation. Remarkably, the subsequent report was bereft of any proposals on the Museum’s educational role. Although the report recommended the creation of several new curatorial and administrative posts, the need for an education officer, let alone an educational service, was not even raised.

The only significant structural change the report advocated was the setting up of a Folklife Division dedicated to collecting the material culture of a rural-dwelling, Irish-speaking people. The committee was explicit about the kind of material that should be collected. It should be exclusively pre-industrial, consisting of the furniture and implements of everyday life in the period ‘before these objects became denationalised by the machine-made mass production of foreign countries’.16 The committee’s Swedish advisor and only non-Irish member, Professor Nils Lithberg, is unequivocal on the continuity between archaeological and folk artefacts within a national framework. Archaeology, he asserts, provides ‘satisfactory evidence’ in the case of utensils and furniture that ‘once an appropriate form has been evolved no very considerable alterations are necessary for their continuance’.17 In other words, the tangible heritage of Irish nationality was embedded in the life of the people as lived on the land, and constituted the material dimension of an organic and unified Irish


17 Nils Lithberg, untitled report on the National Museum of Ireland, unpublished, Ministry of Education (Dublin 1927), 8. Lithberg appears to have insisted on furnishing his own report separately from the committee.
culture that embraced custom, tradition, language and working life from time immemorial. In this context, government did not perceive an urgent need to construct heritage through a process of museumisation, let alone to use museums as instruments of education in nationality; the people, after all, were living docents in the open-air museum that was Ireland.

Eamon de Valera once famously declared that if he wished to find out what the Irish people wanted all he had to do was to look into his own heart. This apparently vainglorious assertion had a subtly corporate inflection: for as long as the premodernity of Irish life remained credibly inviolate, the Irish people themselves would hit upon the deepest wishes of their leader’s heart by sympathetic introspection; insight into the corporate condition of Irishness was something shared by leader and led. Heritage was not so much the historical dimension of culture as the existential substance of Irish life. Against this background, government policy had two straightforward objectives: to promote language revival and protect Irish cultural integrity through vigorous censorship laws.

Inevitably, therefore, it was into the language that successive governments poured most of their energies. Thus, the task of collecting an intangible heritage of story and song through the work of the Irish Folklife Commission, which was founded in 1935, was given priority over material heritage. Building and exhibiting a collection of folk material could wait. Though some desultory collecting of folkloric objects did go on from the thirties to the sixties, it was not until 1974 that the National Museum of Ireland eventually set up a Folklife Division. A similar lassitude pervaded almost all aspects of the Museum’s functions and capacities. A review of the museum carried out in 1973 revealed that since the 1930s annual visitor numbers had inexorably declined, opening hours had contracted, and the physical accommodation and exhibition space had dwindled by a third—some of that space going to meet the needs of its immediate neighbour, the Irish parliament in Leinster House.18

Heritage and international visibility

But if the role of the National Museum was not, then, to educate the Irish people in Irishness, what was its purpose in an independent Ireland? The 1927

The Economics of Identity

A report contains a mission statement for the National Museum that provides a clue:

The main purpose of the National Museum of Ireland should be to accumulate, preserve, study and display such objects as may serve to increase and diffuse the knowledge of Irish civilisation, or the Natural History of Ireland and of the relations of Ireland in these respects with other countries.19

The key word here is ‘diffuse’. The focus is on Ireland’s comparative standing in the community of nations, on raising the visibility of Ireland in international contexts. The construction of national identity through national institutions is seen to be primarily about gaining visibility and credibility for Ireland in the cultural competition between nations.20 Given the insularity and overwhelming homogeneity of Irish society between the 1930s and the 1970s (a period in which Fianna Fáil governments remained in power for all-but six years) there was little perceived need to instrumentalise heritage as a tool of domestic consensus. This left successive governments free to deploy heritage as an instrument in an international status game of recognition.

An insight into this order of priorities can be gained from the government’s attitude to the prospect of winning the Chester Beatty collection of manuscripts for Ireland. Fleeing the impositions of a socialist government that had come to power in Britain in 1945, Alfred Chester Beatty migrated to Ireland in 1950. ‘The people have so much charm,’ he declared, ‘life goes on as it did elsewhere until 1939’.21 Taking refuge in a country that was far from socialist in its politics, and one that had appreciably lower wealth taxes as well, he brought with him one of the finest collections of oriental and Islamic manuscripts in the world. The secretary of the Department of External Affairs wrote enthusiastically to the Taoiseach’s Department in July 1950: ‘It appears that the housing of the [Beatty] collection in a Museum in Dublin would undoubtedly be of great national benefit…we should accede to Mr Beatty’s personal request to express our official interest in the building of this

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19 O’Brien et al., Par. IX. Subsequently endorsed by the Minister for Education as the official policy of the museum. See Dáil Debates, Vol. 25, 11 July, 1928.
With unprecedented alacrity, the government moved to secure the Chester Beatty collection for Ireland: the Library opened in 1953. This contrasted with the lack of support shown by successive governments for other more indigenous heritage projects. Though Dublin Civic Museum opened in the same year as the Chester Beatty Library, it was one of only two publicly-funded local authority museums in the country at that stage, the other being Cork Public Museum (1945). By 1989 only a further eight local authority funded museums had opened, which meant that less than a third of local authorities had museum services of any kind. Those that did exist tended to mimic the collection categories of the National Museum. Local authority museums functioned as ‘mini-nationals’, whose collections categories and exhibitions endorsed an homogenous, nationalist perception of material culture. The permanent exhibitions at the Cork Public Museum, for example, until its revamp in 2005, echoed the collection categories of the National Museum, comprising a mixture of archaeological, art and industrial and folklife material, as well as a display that provided the local angle on the fight for Irish freedom.

Tourism and heritage

Successive governments’ persistent attitude of negligence towards physical heritage was to a considerable extent reflected in attitudes to tourism, whether foreign or domestic. For the first thirty years of independence, the overwhelming emphasis in tourism discourse was on heritage in its intangible rather than tangible form. This translated into an idea of the tourist experience as essentially an encounter with a pastoral people untouched by modernity, speaking an ancient tongue, and dwelling with a modesty amounting to invisibility in a landscape of unsurpassed natural beauty that bore hardly any of the marks of their own toil. The pace of Irish life is slow, its vistas timeless. It is an aesthetic crystallised in artist Paul Henry’s western landscapes, images which were among the leitmotifs of Irish tourism advertising from the thirties to the fifties. Notably, Henry’s gaze relies hardly at all on the heritage content of landscape; no more than people, historic or prehistoric remains hardly intrude upon the minimalist content of his vistas.

22 Ibid., 69.
23 The author acted as an independent advisor to Cork Public Museum for its 2005 revamp.
The trope of Ireland as empty space proved remarkably resilient. As late as the 1980s, artist Robert Ballagh exasperatedly observed, ‘you have Bord Fáilte eulogising roads where you won’t see a car from one end of the day to the other’, so that, ‘it’s almost as if they’re advertising a country nobody lives in’.24 Barbara O’Connor has pointed to how the reification of landscape promises not only ‘empty space’ but ‘empty time’, a land where the difference between today and yesterday, the contemporary and the historic, is seamless.25 The ruin or the dilapidated building are likewise enfolded within vistas of the picturesque, where they serve as suggestive signifiers of timelessness.

However, the enduring attraction of this conceit is misleading, as it partially occludes the emergence in Ireland from the 1950s onwards of an increasingly structured approach to the presentation and conservation of heritage—not as an amorphous element of timelessness experience, but as discrete elements of a differentiated tourism product. Heritage, as we now understand it (a cultural construct with economic dimensions), emerges in Ireland through the expanding scope of tourism and its search for the range and variety of experience that would drive tourism earnings from foreign visitors.

Heritage and leisure

The minister for Industry and Commerce in the Fianna Fáil government, Sean Lemass, set up the Irish Tourist Board in 1939. The powers of the new Board were set out in the Tourist Traffic Act of the same year. The Act contains only the most muted and indirect reference to heritage, though the power to ‘improve and maintain amenities and conditions likely to affect tourist traffic’ intimated some potential in this regard. Insofar as tourism policy during these early years was concerned with domestic tourism, the main focus was on exploiting the fact that paid holidays for workers in the Free State had been introduced in 1938. In 1943, Lemass produced a memorandum entitled ‘Towards and Irish Recreation Policy’. The plan called for the provision of playing-fields, parish halls, swimming pools and hand-ball alleys in 247 rural parishes as a means of occupying the idle minds and bodies of the Irish on holidays. Very little attention, it appears, was given to offering cultural forms

24 Quoted in Barbara O’Connor and Michael Cronin (eds), Tourism in Ireland: A Critical Analysis (Cork, 1993), 74.
of stimulation for the mind—an attitude that accords all-too-well with the attitude to education noted earlier.26

In 1951 Lemass introduced new legislation which led to the setting up of Bord Fáilte the following year. In addition to the powers already conferred under the 1939 Act, the new body was given two new powers: to protect and maintain historic properties and to provide signposting. This marked the moment when tourism policy for the first time explicitly recognised heritage as a discrete element of the tourism product.27 The exact words used were:

to protect and maintain and to aid in protecting and maintaining historic buildings, sites and shrines and places of scenic, historic, scientific or other interest to the public and to facilitate visitors thereto by the provision of notices and the provision and improvement of means of access.28

In 1953 the Board set up an Advisory Archaeological Council to advise on activities in relation to national and historic monuments. By 1956 information plaques had been erected at 170 historic sites, shrines and national monuments, and photographic surveys had been carried out at some of the larger national monuments.29 In 1962 an archaeologist was recruited. The setting up of Regional Tourism Organisations in 1964 led to regional bodies taking direct responsibility for historic buildings and other heritage attractions, such as the Joyce Tower at Sandymount in Dublin, Yeats’s Thoor Ballylee at Gort, and Bunratty Castle and Folk Park. Tourism was now a direct player in the provision of heritage services as part of the tourism package.

What was driving this more focused interest in heritage matters? From the mid-1950s Bord Fáilte was coming to realise that there was a need in an increasingly competitive international tourist market for more diverse holiday packages that integrated a variety of activity options, embracing not only exercise and entertainment but cultural options as well.30 It is clear, therefore, that the initial impetus to develop a more active approach to the interpretation of Irish heritage came not from a desire to promote a better knowledge of it among the native Irish, but from the need to meet the

26 Irene Furlong, Irish Tourism 1880–1980 (Dublin, 2009), 77.
27 Ibid., 168.
28 Ibid., 177.
29 Ibid., 178.
30 Ibid., 184.
expectations of better-educated American and English tourists, a market that was becoming central to Irish tourism policy as the government sought to maximise income from foreign earnings. However, the Bord was conscious of the beneficial cultural effects these efforts were having on Irish life. As the fifties progressed, the Bord’s annual reports began to reflect a wider sense not only of the economic but the social and cultural impact of tourism on Irish cultural life. The 1956 Report, for example, stated:

While based upon the Transport, Hotel and Catering and Entertainment industries, Tourism enters all branches of Social, Cultural and Sporting activities; and operating, as it does, over a wide and varied range of interests it plays a major part in the country’s development and progress.  

From a wider perspective, the tourism-heritage nexus was driven by the fact that Ireland was being drawn out of insularity by global growth in the post-war tourism and leisure industry, which began to take off in earnest in the 1950s. Over 95 per cent of the world’s museum have come into being since 1945. The majority of these, along with countless other forms of heritage attraction, date from the 1970s. From that decade onwards, the construction of heritage as tourism product became a global phenomenon, as successive countries embraced an enthusiasm for heritage in line with their relative levels of economic development and exposure to tourism. Lowenthal traces the use of the word ‘heritage’ in the modern sense of a ‘catch-all creed’ to 1980. And indeed something of a heritage boom emerged in the UK in the 1980s. Government’s role in its protection and management was prescribed in the Heritage Acts of 1980 and 1983. The spectacle of what appeared to Robert Hewison as an unbridled ‘cult of heritage’ provoked him to write a trenchant critique of the phenomenon in *The Heritage Industry* (1985).

**Ireland’s heritage boom**

1985 was also the year the Irish government produced a major policy paper on tourism, giving it a priority role in revitalising an economy that was then...
in the doldrums.\textsuperscript{34} The study noted that a recent ranking of twelve European
countries according to attributes as perceived by international holiday-makers
had placed Ireland last on three of them: accessibility, sports and activities
and cultural experience.\textsuperscript{35} The determination to address these deficiencies
is reflected in the policy paper, where the third (in cultural experience) is
addressed under two objectives: (a) the enhancement and preservation of the
nation’s cultural heritage and (b) the conservation of the physical resources
of the country.\textsuperscript{36} These objectives were carried forward into the National
Development Plan of 1989 which formed the basis for the injection of a
massive £152 of European funding for the development of Irish tourism
infrastructure—a significant element of which was directed towards the
development of heritage amenities.

By any measure, 1989 was a watershed year for Irish heritage. In that year,
the first of two five-year Operational Programmes for Tourism commenced.
Designed as capital funding mechanisms for tourism infrastructure, the
Programmes identified heritage, and specifically heritage attractions, as a
major area for development. Over the period of the two Programmes 55 per
cent of all existing heritage attractions with visitor services and 44 per cent
of all existing museums in Ireland were commissioned—predicated on the
assumption that they contributed directly and positively to Ireland’s tourism
infrastructure.\textsuperscript{37} Over the next decade, both the hardware of Irish heritage
(conservation of monuments and provision of new museums, visitor and
heritage centres) and the software (the mediation of heritage through state-of-the-art, multi-media interpretation) were transformed.

Yet despite the evidence of a growing awareness of heritage among Irish
tourism interests from the early 1950s onwards, the sheer scale and suddenness
of the commitment to developing heritage as a core feature of Irish tourism
in the nineties is striking. At first sight, it appears to be a sudden break with
the lassitude and indifference that had hitherto characterised government
policy towards heritage. The Programmes are not, however, evidence of a
sudden realisation of the worth of heritage on intrinsically cultural grounds.
The single most important factor prompting this development was the

\begin{itemize}
\item \textsuperscript{34} *White Paper on Tourism*, Stationery Office (Dublin, 1985).
\item \textsuperscript{35} James Deegan and Donal Dineen, ‘Irish Tourism Policy: Targets, Outcomes and

Environmental Considerations’, in O’Connor and Cronin (eds), *Tourism in Ireland*,

116.
\item \textsuperscript{36} Ibid., 117.
\item \textsuperscript{37} Pat Cooke, *The Containment of Heritage: Setting Limits to the Growth of Heritage in Ireland*

(Dublin, 2003), 15.
\end{itemize}
criteria attaching to European Regional Development Funding—and in particular the connection made there between tourism, cultural infrastructure and regional development. It was this that allowed the Irish government to unlock such significant levels of funding for heritage. In economic terms, the very generous terms of funding available (on some projects up to two thirds from EU sources, matched by one third from the Irish government) gave rise to what Pignataro and Rizzo have called ‘fiscal illusion’. When, they argue, conservation projects are realised through relatively remote sources of funding, and without imposing any significant burden on local finances, it is likely to produce an economically unrealistic assessment of heritage costs.\(^{38}\) In Ireland, the perception of European funding as essentially ‘free’ capital spurred on a ‘me too’ enthusiasm among agencies and local bodies around the country to win funding for its local heritage centre or amenity. By 2000, fifty-one per cent of all existing heritage attractions had come into being over the previous decade—something that would have been inconceivable in the absence of European funding.\(^{39}\)

**Sustainable tourism, conservable heritage?**

This spectacular growth in heritage as tourism product reflects the primacy of expansionary objectives in Irish tourism policy. Over the past twenty years, successively upward targets for tourism numbers in Bord Failte’s five year plans have been consistently met and exceeded. In its *Tourism Development Plan, 1994–99*, the Bord set an overall growth target of 4.4 million visitors. The outcome in 1999 was 5.5 million, a third more than planned.\(^{40}\) Overseas visitor numbers increased a further 13.9 per cent from 1999–2005, with total visitor numbers reaching 6.8 million in 2005.\(^{41}\) In 2007 there were 7.7 million visitors, up 4 per cent on 2006.\(^{42}\)

While this inexorable growth in visitor numbers has been a boon in terms of tourism-generated revenue, it must also be judged against Irish tourism’s embrace of sustainability as a policy objective from the mid-1990s onwards.

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40 Ibid., 30.


42 Ibid., 6.
The subtitle of the 1994–99 plan was ‘Sustainable Tourism’, and subsequent plans have emphasised sustainability objectives. But as early as 1996 the tension between the growth and sustainability objectives was becoming apparent.\(^{43}\) It came down to this: how could inexorably upward growth targets for tourism numbers continue to be set without damaging what had been declared a key characteristic of the Irish tourist experience: the absence of mass tourism? And now that tourism policy had so enthusiastically embraced heritage in its wider natural, landscape and environmental senses, how could the strong conservation values required for its protection be reconciled with inexorable growth in numbers? Could not, Deegan and Dineen asked, a target have been set to attract more higher spenders in smaller numbers, ‘with fewer associated costs, both economic and environmental?’\(^{44}\) While acknowledging the positive impact of tourism investment through the enhancement and conservation of heritage resources, they nevertheless note that while the tourism lobby had been vocal in highlighting the foreign exchange benefits of tourism, it had downplayed the economic costs of externalities such as pollution and overcrowding at tourism hotspots.\(^ {45}\) As most of these tourism hotspots coincide with some of Ireland’s most iconic built and natural heritage (Killarney being the prime example) the conflict between tourism’s growth and conservation objectives carried direct, negative implications for heritage conservation.

However, this contradiction cannot be attributed to Irish tourism policy in isolation. EU policy on sustainable practice, which the Irish were obliged to implement along with the terms and conditions attaching to regional development funding, were partly at fault. For many years, EU policy promoted the ambiguous principle of ‘sustainable growth’ which, it has been argued, facilitated the uncoupling of conservation goals from growth-driven economic objectives across a wide range of policy fields.\(^ {46}\)

On a more positive note, Failte Ireland’s most recent strategy for tourism, covering the years 2007–13, displays a more consistent commitment to

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sustainability. Crude numerical targets have been abandoned and the crucial issue of carrying capacity has been identified and research into its implications for tourism commissioned.47

**Culture and economy**

From an Irish policy perspective, the difficulty tourism has faced in reconciling sustainability goals with economic ones may reflect an unresolved tension between cultural and economic values that has been inherent in Irish policymaking since the foundation of the state. Michael Peillon sees the dislocation between culture and economics over the first decades of independence as leading to a tectonic build up of tensions: ‘the socio-economic dynamic and the cultural dynamic were pushing Irish society in different directions,’ he writes, and ‘they did not coexist harmoniously, but in a state of tension and even contradiction’.48 The dominance of the Catholic church had played a large part in forging this divide because of its domination of cultural life and its relative indifference to economic issues. Culture, Peillon concludes, ‘had to a great extent been uncoupled from the economy’.49

The gap between cultural values (which emphasised heritage and tradition) and economic planning (which focused on growth and development) became manifest from the 1960s onwards as Ireland pursued a policy of rapid industrialisation through inward investment. Luke Gibbons has drawn attention to the Industrial Development Authority’s promotional campaigns of the 1980s, which highlighted the advantages for foreign companies of setting up in a country whose main cultural attraction was its pre-industrial quaintness.50 At the same time, Bord Failte was reinforcing this image as Ireland’s unique selling point, as Ballagh (cited above) had noticed.

We might now see the Operational Programmes as a mechanism that worked inadvertently to bring these contradictions to a crisis. The assumption that heritage resources could be quickly developed—on a veritable industrial scale—into a nationwide panoply of leisure products within the short, project-driven timescales of the Programmes soon encountered a form of resistance

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49 Ibid., 45.
that was more cultural than economic in nature, and which in time delivered some harsh lessons to government and policy-makers.

The development of the Irish heritage/tourism product in the nineties can be interpreted at one level as an effort to exploit global trends in the leisure industry. Individual heritage sites and attractions translated into tourism products, which were differentiated through regional and local variation, and then marketed in the aggregate as an agreeably coherent experience of ‘Irishness’ as a brand. However, the view of Irish culture as seen through the portal of heritage was becoming increasingly divorced from the lived experience of contemporary Ireland. Irish heritage was discovered at just the moment when the past was indeed becoming ‘a foreign country’. A more secularised Ireland was now open to global cultural and economic influences. The authority of the church was waning. Having rejected divorce in a referendum in 1986, the Irish eventually voted for it in 1995. Rural Ireland was being populated by migrants from Irish cities and a host of immigrants from European countries. Ethel Crowley, in a recent study of her native west Cork, registered the growing complexity. The social actors in west Cork now represented ‘interests, or networks of interests, that stretch far beyond the physical boundaries’, so that local communities comprise ‘the product of any combination of varied cultural, economic, social and political perspectives’.

The European Economic Community, which Ireland entered in 1973, was not only a source of supra-national regulation that member states were obliged to implement, but also constituted a court of appeal in which the Irish government could be held to account by its own citizens—particularly on environmental matters. Inevitably, the Irish state’s authority was gradually diluted, and its monopoly of cultural life—that is, its ability to look into its own heart and find there that answering beat that de Valera had once felt so sure of—was being pressurised in the interplay between global, supra-national and local levels of political authority. As Anderson has pointed out, national consensus, because of its essentially imagined nature, is a volatile thing:

The nation is a special or privileged way of imagining community, but it is, in fact, no more a privileged way of imagining them than any other. The power of imagining is what causes local communities to rise up against the nation in its imagined distinction from the nation which it no longer feels fully represents it.

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The first Programme was not long under way before it encountered unprecedented resistance from locally-based groups, who rapidly built networks of support with wider national and international environmental activists, to insist that the state and its expert agencies had no special dispensation to impose heritage developments on local communities. The state’s expeditious attempts to construct national park visitor centres at Mullaghmore in County Clare and Luggala in County Wicklow were the flashpoints. The short, five-year timescales of the Programmes compressed the planning process and curtailed the opportunity for consultation and conciliation, which weakened the state’s case and strengthened the resolve of opponents. As early as February 1991 in an article headed ‘Is our heritage being threatened by its guardians?’ Frank McDonald, Environment Correspondent of the *Irish Times*, was raising questions about visitor centres being planned by the Office of Public Works for such sensitive locations. He pointed out that the state agency employed no planners, was not bound by the planning laws, had carried out only the most cursory environmental impact assessments, and local authorities and the public had barely been consulted. Intended to serve as a sign of Ireland’s variegated homogeneity, heritage was suddenly revealed to be the very ground of dissidence and conflict.

Taking stock of the first Operational Programme in 1996, Sean Browne and Trevor Stephen registered the chastening effects of these developments. They advocated a new approach based on what they called the ‘democracy of community involvement’ and urged Bord Failte to prioritise its commitment to ‘the localisation of decision-making and activity in the current [1995–99] five-year plan’. But the fires of heritage conflict, once started, proved difficult to quench. The visitor centre controversies raged right through the nineties, and would not ultimately be resolved until the first years of the new millennium, when they were succeeded by a new wave of heritage disputes centred on road developments.\(^{53}\)

In the course of the Burren and Luggala disputes, the state suffered dramatic defeat. The Supreme Court ruled in favour of the Burren Action Group in 1993. Henceforth the state would be obliged to apply for planning permission for all developments (it had up till then been exempt).\(^{54}\) Years later, following a stubborn rearguard action, the High Court directed the OPW to pull down the partially constructed buildings at both sites and restitute the land.


\(^{54}\) *Irish Times*, ‘Supreme Court rejects OPW appeal on centres’, 27 May, 1993.
at a cost of several millions.\textsuperscript{55} It is difficult to think of a comparable case where the state was so comprehensively humiliated through the legal process.

With hindsight, we can see that the Operational Programmes reflected those flaws in tourism policy which failed properly to integrate sustainability values with economic objectives. Though sustainability had been declared as central to tourism strategy from the mid-nineties, it was persistently trumped not alone by overrun growth targets, but also by the developmental energies unleashed with the Celtic Tiger. The ever-upward targets for tourist numbers precipitated a massive expansion in the accommodation and amenity base. A rash of new hotels, holiday homes, golf courses and heritage amenities sprang up, many in the most scenic locations, their passage smoothed by lax planning laws, political corruption, and loose lending policies by the banks. Judgment of a kind was passed on this in an article of Timothy Egan’s in the \emph{New York Times}, when he wrote of a visit to Dingle:

You walk along Dingle Harbor past a forlorn rock tower, Hussey’s Folly they call it. It was a 19th century stimulus project, a jobs generator for starving people at the time of the Great Famine. And then, in the green folds of a peninsula holding the greatest concentration of archaeological sites in Ireland, you see the latest and largest of artifacts – the empty houses built at the peak of the Celtic tiger period.\textsuperscript{56}

The effect is an imploding Russian doll: a planning failure, inside a cultural failure, inside an all-enveloping economic one.

\textbf{The economics of identity}\textsuperscript{57}

Michael Cronin and Barbara O’Connor have pointed up the tendency for tourism studies in Ireland to settle into ‘a depressing binarity’. It is seen either positively as something that creates jobs and facilitates regional development, or else as destructive in the way it commodifies peoples and cultures.\textsuperscript{57} Kneafsey takes issue with the wholly negative characterisation of

\textsuperscript{55} \emph{Irish Times}, ‘Mullaghmore Centre car park to be demolished’, 2 April, 2001; ‘Permission refused for Luggala Centre’, 14 February, 1995.

\textsuperscript{56} Timothy Egan, ‘The Orphans of Ireland’, \emph{New York Times}, 1 April, 2009.

\textsuperscript{57} Michael Cronin and Barbara O’Connor (eds), \emph{Irish Tourism: Image, Culture and Identity} (Clevedon, 2003), 3.
commodification, insisting that such forms as traditional music are ‘inalienable possessions’, which can be shared but never completely given away. Quinn, in her analysis of two arts festivals in Ireland, is critical of the lack of agency in tourism studies, which tend to portray natives as the passive victims of tourism culture.

This emphasis on the agency of local people echoes the findings of anthropological work carried out elsewhere. In particular, Nick Stanley’s study of the impact of tourism on the Polynesian Islands argues that it is possible to ‘be ourselves for you’ and remain, in some sense, true to ourselves. Local peoples are agents in their own destiny, he argues, and can harness tourism for their own purposes, and can even strengthen their identity in the process. Tate le Fevre endorses this view, arguing that tourism scholarship has underestimated the degree to which local people can manipulate tourism to serve their own purposes, ‘one of which might be to broadcast their traditional identity to a global audience’. However the problem with this analysis is that it somewhat simplifies the relation between native and ‘other’. The visitor centre controversies can be read as symptoms of the growing fissures in homogeneous ‘Irishness’. Complex coalitions between locally-based activists and nationally and internationally based environmentalists were involved in both campaigns. According to Leonard, environmental movements need to be open to such alliances to be effective. In this context the idea of ‘being ourselves for you’ takes on a more complex meaning. The agent (who is also the object) of tourism can, in T.S. Eliot’s phrase, ‘prepare a face to meet the faces that you meet’. This recuperated agency, however ironic, is nonetheless an antidote to the pessimism and passivity under which the subject is consumed in consumerism in the vision of critics such as Adorno, Baudrillard and Jameson.

Ironically, the very forces of globalisation that compel people to take control of their cultural destiny at local level are the same as those which

58 Moya Kneafsey, ‘If it Wasn’t for the Tourists We Wouldn’t Have an Audience: The Case of Tourism and Traditional Music in North Mayo’, in Cronin and O’Connor (eds), Irish Tourism: Image, Culture and Identity, 21 – 42.
compel national tourism agencies to accentuate those distinctive factors which
differentiate one national product from another. ‘The more Irish culture has
become global,’ writes Tom Inglis, ‘the more the Irish need to continually create
and maintain national difference’.63 In the battle against sameness, against global
homogenisation, ‘cultural entrepreneurs search for authentic local difference
that can then be marketed globally’.64 Terry Eagleton recognises ‘a kind of
universalised particularism’ as one of the signatures of post-modernity.65 He is
sceptical of the cultural credentials of contemporary capitalism: ‘the predatory
actions of capitalism breed, by way of defensive reaction, a multitude of closed
cultures, which the pluralist ideology of capitalism can then celebrate as a rich
diversity of life-forms’.66 As we have seen, the national brand is mediated
through heritage tourism into 57 varieties of locality and place.

The German idealists, by rooting their idea of culture in folk tradition,
initiated the idea of culture as ‘a whole way of life’—but crucially circumscribed
that wholeness with national boundaries.67 Ironically, for a nationalist
leader like de Valera, the object of politics, and therefore of culture, was to
protect a whole way of life from being eroded by foreign influences. In the
initial phase of the Irish tourist industry in the thirties and forties, only a
form of voyeuristic tourism that took memories (of a people living slowly
in a timeless, empty land) and left lots of foreign exchange, was compatible
with this vision. However, as Ireland through the 1950s became drawn into
the international competition for tourism earnings, it brought with it inevita-
ble changes to the cultural composition of the product, changes that were in
themselves symptomatic of cultural changes in Irish life.

Heritage, in Ireland as elsewhere, is part of the process of modernisation,
or perhaps more accurately of post-modernisation. It has grown along with the
shift from the consumption of goods to the consumption of services, and can
be understood ‘as both a cultural phenomenon and also as a form of economic
practice’.68 Heritage and tourism, we might conclude, are intrinsically related, in
the way that economics and identity, despite the protests of the disenchanted
culturalists, have always been.

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64 Ibid., 163.
66 Ibid., 129–30.
67 Terry Eagleton, *The Idea of Culture*, 12
The interdisciplinary nature of the issue we are addressing encourages me to examine the nature of art through the bifocal lens of philosophy and psychology and from there to reach out to more sociological and perhaps even political perspectives. My intention is not to become too abstract and I will root what I have to say in concrete examples, both of making and receiving art. Such making and reception, I will attempt to show, occurs in a cultural context shaped by cultural institutions and this will lead me to raise questions about the function and responsibilities of cultural institutions, particularly those in receipt of public funds. As an Arts Director in the Irish Arts Council, I will also reflect on the role of what I characterise as that Janus-headed body in negotiating contested versions of value.

Of the many possible ways of exploring the nature of art, I want to offer two which I think are critical where notions of wealth, value and identity are at issue.

My first proposition is of the arts as unique symbol systems through which human beings make meaning. Word and number are the legitimised core symbol systems of human culture, but the arts are another such system by which we make meaning. I underline the phrase make meaning. Though phrases like ‘the expressive arts’ and ‘self-expression’ are used in relation to the arts, they are unhelpful. Good art is not the expression in artistic forms of pre-existing meanings; rather art is a primary form of meaning-making. So despite the dominance of the pedagogical and critical paradigm that insistently enquires: what is the poem about? what was the play about?, art is not about anything: a poem is a poem; a dance is a dance; a painting is a painting. Painters have ideas in paint, poets have ideas in poetry. If we agree with Walter Pater that all art aspires to the condition of music, we are acknowledging that good or serious music and by extension good art resists most attempts to have its meanings transposed outside of their intrinsic artistic nature.

Not only do the arts make meaning but they make distinctive and important meanings. We tend to understand and accept this retrospectively better than we do in contemporary terms. When we wish to know the nature
of a people in another time or place, we go to their buildings, artefacts, rituals, stories, music. Officialdom – be that academic or political – tends to be more comfortable with the heritage arts, where the meanings are more stable and agreed, than it is with the contemporary arts where the meanings are more fluid or provisional, a fact that engenders greater official anxiety. But whatever the level of comfort, there is acknowledgment that the arts do inhabit the realm of meaning. I don’t want my reference to heritage to be a careless presumption that all is consensual in that domain, but I venture that the greater difficulties there may be more about ‘value’ than ‘meaning’. The ‘realm of value’ can be a contested space as the battles between infrastructural development and archaeology demonstrate.

There is a further sense in which the meanings embedded in the arts are fundamental. Here the lens is less sociological or anthropological and more psychological or personal, for when we wish to know the meaning of love, or death, or ambition, or despair, we often go to music, drama, art, film, and literature. And this is the behavioural evidence of another key concept which I have only the time to assert here and that is that when we make art we make ourselves (‘I rhyme to see myself . . .’ Heaney says in a poem from his first collection), and that in understanding art we understand ourselves. This relationship between art and self – whether it’s the personal / private self or the social / collective self – is central to the relationship between art and identity.

My second proposition as a way to explore the arts is to locate them by twin coordinates. The first – call it longitude – references the arts as discrete disciplines, highly specialised pursuits, each with its own distinctive symbol system, traditions and materials. On this coordinate can be found what by common consensus would be the great works of art in whatever discipline. In these is vested especially the idea of the singular, concentrated, artistic intelligence of the master artist. But there is another coordinate by which to locate the arts – let’s call it latitude – for its key characteristics are that it embraces the plurality, the connectedness, the horizontal plane of the arts, where it is the ‘continuities’ of the arts with the rest of human life that become important.

Both of these coordinates are necessary if we are to be able to locate ourselves well in the arts. Too much attention to one or other axis will blow us off course. Certain works of art and certain art practices and cultural traditions do, of course, take on a preponderance of verticality and become classics, but that does not make them rigid, for their meanings are not fixed and absolute; they may change with time or they may change by virtue of the
context of their presentation and reception. Even something as seemingly immutable as a work of literature changes according to the circumstances of its apprehension. Reading Conrad’s *Heart of Darkness* as a seventeen year old and reading it as a forty-seven year old are likely to be two different experiences. In that thirty years nothing has ostensibly changed in Conrad’s story, but the reader has. So the reader alters the meaning.

From this perspective the orthodox understanding of the reader unlocking the meaning in the story, or the viewer unlocking the meaning of the picture, gives way to the counter proposition that it is the function of the work of art to unlock the meaning in the reader or viewer. So the reader makes the meaning and the work of art makes the reader. This is perhaps what Eliot was reaching for when in *Four Quartets* he wrote of: ‘music heard so deeply / That it is not heard at all, but you are the music / while the music lasts’ (‘Dry Salvages’, V). What I am presenting in terms of the triangle of experience / meaning / self, here explored in personal or psychological terms, also has its social or community equivalent.

The proposition that the function of the work of art is to unlock the meaning in the viewer has profound implications for cultural institutions and for national cultural institutions especially, given their status, their mission statements, and their heavy dependence on the public purse. This is especially so if I restate the proposition in terms of the general public rather than the individual spectator. Now the proposition becomes that it is the function of national cultural institutions to unlock the meanings of citizens. We accept this truth in extreme or controversial circumstances, but it is no less true in the ordinary scheme of things. One example of the former is those national collections where indigenous peoples seek the return of an artefact (a native American boat; an Australian aboriginal mask) for reasons to do with a version of community identity involving belief systems, that is at odds with the national identity of those who house the collection and for whom the question of identity is bound up with a previous, perhaps imperial, history.

I have moved the analysis from the realm of the ‘individual citizen’ to the ‘general public’, but a modern democratic state needs to take this a step further and move from the level of the ‘general public’ to the notion that there are many publics, defined by age, educational attainment, gender, class, geography, ethnic background, and so on. The challenge for the publicly-funded cultural institution which has (we hope) moved from being a temple to being a forum (as a place where people gather to meet and interact) is to recognise its responsibilities to its many publics. If it is true that the immaterial
wealth of the institution lies in the meanings of its works or its repertoire and that those meanings are paradoxically, but to some significant degree, vested in those citizens who come to engage with the work, then the question of the diversity of meaning and the extent of the wealth contained in the institution might be said to be in direct proportion to the number and range of its visiting publics, and to the quality, nature and range of the engagements that are offered to those many publics. Demanding, yes, but we are on state business here, after all!

This raises questions about how well our publicly-funded cultural institutions and organisations are behaving in the realm of public engagement. I am not decrying the focus on acquisitions budgets and on building collections or on commissions, but there are other definitions of meaning and value and identity which require different behaviours and it seems to me that we have a way to go to redress our direction and to set our course more by a latitudinal coordinate. And we are unlikely to set that course if cultural decision-making continues to be the preserve of the few who control cultural wealth as if it was invested like deposits at the bank and loaned out on strict terms and conditions that are advantageous to them. So among the many observations that could be made at this point is one about how arts and cultural boards are appointed, and about how crucial are the terms of engagement around governance, if the arts are to be truly a distinctive tool of public meaning-making.

One of the changes often wrought by time is that of the blunting of the impact or the immediacy or the edginess of a piece of art. There is a phenomenon to be observed whereby sometimes an artwork moves from a point defined more by its latitudinal axis, its connectedness and rawness, into a more vertical axis where it is defined and recognised for its formal or aesthetic qualities, where the word ‘aesthetic’ comes to mean something apart, where there is a kind of virtue associated with the purity of disconnectedness.

A good example from this country, this city, would be Sean O’Casey’s *The Plough and the Stars*. The play was in many ways (perhaps most overtly in Act Two) a coruscating critique of the 1916 Easter Rising. Written and performed ten years after the Rising, O’Casey’s *Plough* led to riots in the Abbey Theatre and to intense public controversy in the press and in public debates. Theatre really seemed to matter then! Moving swiftly on to 1966 and the fiftieth anniversary of the Easter Rising, it appears the committee established to oversee the commemoration wrote to the Abbey requesting that no production would be offered of any play that was not in keeping with the spirit of the occasion (*The Plough* was not mentioned, nor did it need to be).
These interventions or inclinations of the State to request that art does not disturb the national mood indicate that the dominant official expectation of art is as a comfort, an articulation of consensus. One of the functions of Arts Councils, is that they provide the means whereby the State engages with the live chemistry of the contemporary arts. The arm’s length principle is at once a guarantee of intellectual freedom and at the same time a protection for the State from direct contact with unstable substances, unpredictable chemical reactions, for which the arm is not only held at length but is also fitted with an asbestos glove.

It is unlikely that the Abbey will receive a notice not to stage The Plough when we come to mark the centenary of the Easter Rising. The Plough has lost its phosphorescence and by 2016 will have perhaps fully tilted onto the longitudinal axis to become a classic. Its power will be less visceral and more vertical. Time acts to heal the wounds of outrage or the jaggedness of formal experiment so that Guernica can become an icon, the Eiffel Tower a monument, and Joyce’s books a veritable industry, not at all dependent on any act of authentic readership. When the works of art or the artists are assumed into the womb of national identity, there often occurs an obliteration of detail as it applies to content. The consensus builds around features like formal characterisation, the native genius for storytelling, the richness of the linguistic reservoir. The official preference is always for the lyric tradition, that which reassures, even to the point of sentimentality, that which wears its heart on its sleeve and there is a kind of ownership, a possession, and a presumption of harvesting rights so that, for example, Seamus Heaney must surely wonder did he ever actually write when hope and history rhyme or did he steal it from Tony Blair or was it Bill Clinton or Bertie Ahern.

So returning to matters of state: when a line of poetry becomes a political soundbite [Heaney]; when a radical writer and his work becomes a kind of municipal commercial opportunity [Joyce]; when an area of the country is packaged by the regional tourist board in the name of a poet [Yeats]; when the IDA, the State’s industrial development authority, starts to use painted images of the heads of iconic artists as part of an ‘Irish Mind’ campaign to attract inward investment by multi-nationals in something called the ‘knowledge economy’ [Beckett]; something other than art or even arts policy is going on. A deal is being struck and it demonstrates, in large measure, that the interests of the regional and state authorities, which are non-arts but which determine the political standing of the arts, probably even more than the designated arts authorities, have almost nothing to do with art, as defined earlier, and have
everything to do with a kind of instrumentalism directed at achieving social and economic benefits. In this context then, ‘the arts’ as a term is not some kind of pluralisation of art or a contracted taxonomy of art, music, dance, theatre, literature and so on. Instead the generic term ‘the arts’ has moved into the realm of ‘goods and services’ and there designated as a sector, a micro-economy, a resource with a capacity to ‘add value’.

One of the consequences of the arts moving up the political agenda – it is only fifteen years ago in Ireland that a government department and senior cabinet post were created – is that the arts have to locate themselves in the dominant political discourse and that, especially now, is an economic one, and even at that, a particularly anxious and reactive version of economics. Perhaps ‘economic instrumentalism’ is the contemporary version of what Kevin Whelan has referred to as the ‘command culture’ when scoping the Gaelic, nationalist culture that prevailed here for much of the first half of the twentieth century. I was struck, too, by David McCrone’s four options on the narratives of national identity and economic development, and at this time of economic meltdown we are certainly very far from ‘repudiation’, and very keen to ‘recapture’ our former models and paradigms, and the arts are being encouraged to play a role in this recovery.

I am not offering a critique or ascribing merit or otherwise to this way of engaging with the arts. It is rather a matter of clarification – in some ways it is a third, more pragmatic, and State-oriented, definition of the arts, complementary to those I offered at the start of this paper which, in fairness reveal my preferences and, some might say, my prejudices.

One way of representing the role of the Arts Council is as the agency that manages the official and overt relationship between the contemporary arts and the State. Certainly in Ireland the Arts Council is a Janus-faced agency which looks to government on the one side and to the arts sector on the other. The presumption is that the interests of the taxpayer and of the public generally will be looked after, by a combination of the attention to audiences paid by the Arts Council and by arts organisations, and by the general orientation of government and public representatives to the public good. This is a presumption that is not always well-founded or at least that merits debate.

Of course the public interest is indeed bound up with most everything the Arts Council supports or initiates, but there is evidence to suggest (in the findings of the recent Touring Experiment, for example) that there is need to make more explicit provision for audiences (by which I mean the ‘attenders’, the ‘intenders’, and what I have seen referred to in France as the non-public). The
danger of publicly subsidised arts providers attending only to the ‘attenders’ is hopefully clear by now.

More broadly, in its mid-term review of its five year strategy (2006 – 2010), the Arts Council in Ireland acknowledges the need to give special emphasis in the remaining years of the strategy to progressing goal three (of five) which is to make it possible for people to extend and enrich their experiences of the arts. But if one were to pay attention to the title of this Forum which invokes the State, and not individual government departments or agencies, then you would be forced to the conclusion that there is no policy coherence or strategic alignment. I suggest this because the Arts Council’s expressed goal to facilitate people to extend and enrich their experiences of the arts is altogether at odds with that of the Department of Education and Science which contrives to limit and minimise the experience of the arts of perhaps the single most significant cohort of citizens. Indeed any analysis of the state and the arts, in Ireland or Scotland, would have to pay close attention to the realities that obtain in respect of provision for children and young people. This is because of their demographic significance (some 25 per cent of the population here in Ireland); their developmental significance (the arts experiences they have now will be crucial for their lifetimes and if the arts are ways of ‘making the self’ then these are experiences that cannot be deferred to adulthood); and their economic status (as largely dependent citizens, they have arguably a special claim on the resources of the public purse allocated to the arts).

To conclude my paper on this point is both to underline a significant fault line in state policy and provision for the arts vis-à-vis a huge proportion of its citizens, but also to underline that locating the arts in an economic department such as tourism gives it political seniority but not locating arts, culture, heritage, broadcasting and language on their own, or not locating the arts in a department like education (as is the case in many countries), is emblematic of a notion of investment in the arts for economic return (and a fairly restrictive notion of economics, I would argue).

The challenge for the Arts Council, as a Janus-headed body, is to advocate for and demonstrate that Government investment in the arts, as directed and applied by the Arts Council, is repaid many times over in terms of the intrinsic benefits, the social good, and the distinctive contributions to local and community identity and morale, to cultural tourism, to inward investment, to the creative industries, and to national profile and prestige.

That small phrase (‘intrinsic benefits’), deliberately positioned at the beginning of that cluster of advocacy arguments, is perhaps in the current
climate the most problematic. Holding space for art so that it can, to quote Heaney again, *set the darkness echoing*, may be the real test of our avowed commitment to the arts.

*Arts Council of Ireland*
In August 1999, and so just weeks after the opening of the Devolved Scottish Parliament, leading Scottish playwright David Greig’s new play *The Speculator* premiered at the Edinburgh International Festival. The play is set in Paris in 1720; an historical moment poised precariously between a failing old world order of traditional rules, structures and hierarchies, and a shocking new world made possible by pioneering economic rules and marked by re-imagined social relations and innovative cultural practices. As the title suggests, *The Speculator* is an elaborate fantasy. It is a huge and sprawling play, populated with dozens of characters and telling many stories. It is shot through with images, metaphors and debates about money, wealth and credit, as well as ideas of cultural value and identity, ideas about the future and the forces and meaning of modernisation, and on ideas of migration, place and national identity. In addition to numerous subplots and minor incidents, the play interweaves three key narratives—a knowing and reflexive story of the playwrights Pierre Marivaux and Charles Dufresny writing a new play for one of Paris’s most popular theatres; the romantic adventures of Lord Islay of Islay, a young and spendthrift Scottish nobleman on the grand tour; and the cautionary tale of John Law, the Scottish economist and banker whose schemes for a paper-based monetary system saw him, for a time at least, the richest and the most powerful man in Europe.

In the play, the fictional Marivaux disagrees with the view expressed by his fellow dramatist and collaborator Dufresny that playwrights are gamblers.

**Dufresny** We are not—playwrights—really we’re gamblers.

**Marivaux** Not gamblers.

Speculators.

**Dufresny** What’s the difference?

**Marivaux** Gamblers stake blind.

Speculators imagine a possibility
And have the courage to force it into existence.\(^1\)

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If ‘Gamblers stake blind [and] speculators imagine a possibility and have the courage to force it into existence’, how might we categorise the National Theatre of Scotland (NTS) as one of the newest features of Scotland’s post-Devolution cultural landscape. Is it a gamble or a speculation?

**Imagining a possibility**

For some theatre makers and cultural critics, creating a national theatre in and for post-Devolution Scotland was a backward step. What was Scotland, with its new, cutting-edge democracy and negotiated set of open, porous, flexible, post-nationalist identities—according to Cairns Craig the very ‘template from which other nations can learn how to develop a non-threatening conception of nationalism’—doing dabbling with such an outmoded kind of cultural institution as a national theatre with its canons and its hierarchies, its centralised cultural temples and its orthodoxies? Surely the new Scotland was not going to be about aping the cultural adornments of the past? What did new Scotland want with a national theatre, an old-fashioned ‘manifestation of personal / national gloire’, a museum for a particular corpus or a factory to create a new canon of local drama, a symbol of classic nineteenth-century national building, a space privileging particular ethnic or linguistic identities, a place of end of empire retrenchment. What did the new Scotland want with all that?

But the NTS exists because of Devolution. And the NTS exists in its distinctive ‘without walls’ reinvention of what a national theatre might be because of the cultural values that theatre makers and politicians wanted Devolution to represent. So, whilst there is a long and complex pre-history to the launch of the NTS, it was the promise and the fact of a devolved government that ultimately ‘forced it into existence’. When this new theatre company launched in February 2006, it was because the Executive wanted it to happen. It happened because the politicians wanted something to happen that represented, that was symbolic of, and that stood for, the new political agreement that was devolution. Perhaps it also happened because the politicians wanted an immediate cultural outcome of Devolution that was not just the money pit of the Parliament building. Whilst the actual existence of

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the company was dependent on political devolution, and the initial financial commitment of some £7.5 million of start up costs came from the devolved Scottish Parliament, the distinctive shape, form and nature of the NTS is primarily, almost completely, what was wanted and proposed by the theatre makers themselves.

The Labour-Liberal coalition government saw theatre, the arts in general and that loose collection of things that might be described as the creative industries, as some of the most important parts of the Scottish (cultural) economy. Theatre, the arts, culture were seen as important because they represented a strong, vibrant and diverse nation, not only recovering its own traditions but able to represent those national traditions internationally too. Importantly, they did so with significant success and relatively cheaply.

But it is quite a step from recognising that the culture of Scotland was important to actually launching a new national theatre. In the lead up to devolution—in the Scotland that made devolution possible—artists and the arts played a huge role, contributing to the strong sense of Scottish national identity, as David McCrone has shown—and they rather assumed that they would continue with a new kind of role and responsibility in the new democratic agreement anticipated for life after Devolution. The theatre makers, in particular, sought to seize the initiative. Via the professional sector’s network organisation the Federation of Scottish Theatres (FST), work was begun on a policy initiative that was to be presented to the Parliament and Executive at the earliest opportunity.

What the FST wanted to achieve was a way to ‘protect the diversity of Scotland’s theatrical production base, while enhancing the quality of the work produced, and giving the best of it a truly national and international

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4 There had been consideration of and debate around a national theatre for Scotland more or less all the way through the twentieth century—from the aspirations of the semi-professional Scottish National Players in the 1920s through James Bridie’s Citizens’ Theatre in Glasgow in the 1940s, Clive Perry’s Edinburgh Royal Lyceum in the 1970s and the touring Scottish Theatre Company in the 1980s, to mention just a few of the key opportunities. But from the 1990s on that debate shifted both gear and tone. See Denis Agnew, Contexts and Concepts of a Scottish National Theatre (Ph.D. thesis, Queen Margaret University College, 2000); Robert Leach, ‘The short, astonishing history of the National Theatre of Scotland’, New Theatre Quarterly, 23.2 (2007), 171–83; Trish Reid, “‘From scenes like these old Scotia’s grandeur springs’: The New National Theatre of Scotland’, Contemporary Theatre Review, 17.2 (2007), 192–201.

platform" in short, what they wanted was a way of leveraging more government money into the theatre sector. And they recognised that Devolution presented a unique opportunity to achieve this. Crucially they realised that the only way that the government was going to find new, additional monies for the theatre makers was if there were new, additional and flagship theatre making taking place. Yet the sector itself did not want a traditional building-based national theatre organisation that might pull resources—money and talent—away from its constituents. It wanted something that enhanced what was already there, that added value to what they identified as already being a highly developed, geographically diversified and theatrically varied Scottish theatre sector.

This was the case put forward by the FST—and specifically by its chair Hamish Glen and other key members—to the Education, Culture and Sport Committee of the Scottish Parliament during its enquiry into the national arts companies in November and December 1999. The proposed initiative was neither a new national theatre building nor a new national theatre company in any familiar sense of the idea. Instead what the FST proposed to the Parliamentary Committee was a new fund and a new commissioning body, a kind of cultural producer or publisher. This national theatre would not itself make work but would instead work with the existing network of theatre makers by commissioning from them new work of every kind and scale, reviving existing productions, redeveloping existing projects and showcasing that work in Scotland and internationally too: in a sense this new kind of national theatre would act as something of a parallel funder to the Scottish Arts Council but one that, the ambition was, would be artist-led and, at least aspirationally, free from bureaucracy.


8 The idea was developed from previous debates and ideas. In 1977 David Hutchison argued that:

A national theatre need not be either a building or a particular company; it can be the sum of the theatrical activity in the country. Indeed, special national theatre buildings and national theatre companies can act as drains on resources to the detriment of geographically dispersed theatrical activity […]. It would be
The FST’s plan—published formally in June 2000—achieved an astonishing degree of consensus within the notoriously argumentative Scottish theatre community, with many key players putting aside long-standing rivalries, as well as genuine practical and political concerns over artistic leadership, financial responsibility and government interference, to back the new plan. Whilst for some the aspiration for a national theatre—indeed for some the aspiration for a traditional, building-based kind of national theatre—was significantly based on a cultural politics and philosophy, for others the initiative was ‘merely’ a strategic tool designed to lever more money from the state into the theatre sector and, even more importantly, into their specific theatre company. But in finding a way for the diverse personalities of Scottish theatre to work together, in seeking to protect and enhance an existing theatre system, by responding to the local ‘tradition of pluralism and diffuseness in Scottish theatre’, the FST advanced—perhaps unwittingly—an exciting new model for a twenty-first century national theatre.

Like the theatre community itself, the Scottish Arts Council also identified the proposals as a potential lever for new funding monies into the sector and backed the idea which was then endorsed by the Executive in its ‘National Cultural Strategy’ (August 2000). The idea was referred to the Parliament’s Education, Culture and Sport Committee which took a range of evidence—and again the Scottish theatre community worked more or less as one in arguing in favour of this new kind of national theatre—and the distinctive original shape

disastrous if excessive concentration on a national theatre were to harm those developments or the professional repertory theatres. (David Hutchison, The Modern Scottish Theatre (Glasgow, 1977), 126–7).

Whilst the idea had been further developed in Joyce McMillan, The Charter for the Arts in Scotland: Arts for a New Century (Edinburgh, 1992) and a Bonnar Keenleyside report for the Scottish Arts Council in 1994. It was formulated in the FST’s ‘Proposal for a National Theatre for Scotland’ (Edinburgh, [June] 2000). In passing, but just as importantly, Scotland’s building-based theatre makers were also feeling a threat from the Arts Council of England’s new Gerry Robinson-led regional theatre deal that saw a significant raft of provincial providers receive a huge uplift in funding. The Scottish companies were eager to find a way of getting a similar increase in direct funding and the national theatre route looked likely to be the only way that the Executive was going to find the big amounts of money that the theatre companies wanted.


11 Indeed, one of the few concrete proposals in that policy document was a commitment to the ‘development of a successful national theatre for Scotland’. Scottish Executive, Creating Our Future, Minding Our Past: Scotland’s National Cultural Strategy (Edinburgh, 2000).
of the NTS came more clearly into being. Whilst discussing a range of possible models, the Committee report endorsed the principle of commissioning work in partnership with the existing companies and, again reflecting the existing theatre infrastructure, reaffirmed touring as a fundamental principle of any kind of national theatre in and for Scotland.

Based on the work and report achieved by the Parliamentary Committee, the Executive set up an Independent Working Group made up of a range of theatre professionals and policy makers. It too explored a range of options and it too recommended the creation of a new company that would be building-less and, hence, itinerant. Clearly influence by the FST proposal this new company was imagined as being a ‘creative producer’, ‘which engages with the whole theatre sector as its “production company”, working with and through the existing Scottish theatre community to achieve its objectives’. In summary, its report ‘did not meaningfully modify the original recommendations of the Education, Culture and Sport Committee, which in turn derived from the proposals of the FST’. The plan was to start the new initiative by building on what was already there. In addition, the FST thought that this national theatre model would not pull resources away from the existing providers. Remarkably, according to one observer, ‘The new National Theatre seemed certain to follow closely a pattern initially devised by theatre practitioners rather than bureaucrats or politicians.’ But, just as remarkably, the politicians and the Executive backed it too—and they did so on the basis of the perceived cultural benefit theatre might have for the nation.

When Parliament debated the NTS in September 2003, it was clear that many of the things that the Executive and the politicians wanted from their investment in the initiative were typical of any kind of modern national company: retaining in and attracting back to the country talent of all kinds; developing and enhancing a national repertoire and investing in new writing too; touring work of all scales but, specifically, large-scale work nationally and, crucially, internationally; providing a new focus for education and professional

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development; demonstrating and advancing best practice in all areas including community-based work. Even if the delivery model was demonstrably new and innovative, these practical policy goals—these classic goals of the national arts organisation, with their anticipated raft of measurables and implied evaluation criteria—remained intact.

But something else was part of that parliamentary debate, another kind of wealth was, at least for a moment, acknowledged. Because during the debate—and in something of a deliberate display of their cultural credentials—the parliamentarians waxed lyrical about a raft of well-remembered nights at the Scottish theatre; they shared transformative experiences of watching 7:84 in a village hall in the Highlands and of attending the Glasgow Citizens’ in its 1970’s heydays; they listed the outstanding community-based work happening in their constituencies, that they identified as not just life enhancing but life changing. Without overstating the rhetoric of the day, what was at stake was a set of cultural values that recognised theatre’s potential to create shared experiences and emotions, that recognised theatre’s potential to connect with a very particular and local audience, to tell stories old and new, to represent and imagine familiar and alternative selves, to challenge cultural, social and political orthodoxies and to change people and change the world. What was at stake was recognition that culture and that theatre begins conversations, tests assumptions, creates identities and that those identities had explicit as well as implicit values. So, whilst there was a bit of talk about cultural tourism and international prestige, really what the Scottish Parliament declared that it wanted from its theatre—and indeed from its arts community more generally—was something intangible, something transformative. The then Minister for Tourism, Culture and Sport, Frank McAevety, spoke about the perceived cultural value of theatre arguing that the debate about a national theatre in Scotland had ‘been emblematic of much of the debate about Scotland’s identity and cultural future and about how, in a devolved Scotland, the arts can best contribute to our society and its cultural identity.’ He saw theatre as in some sense representative of the wider well-being of the arts in general: ‘the future of the national theatre project was seen as a bell-weather of the future of the whole arts sector in Scotland’. It was an astonishing endorsement for the sector—but also an astonishing weight of responsibility for the new NTS when it finally came into being in February 2006.

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How much do you think it’s worth?

In *The Speculator* John Law commissions the dramatists Marivaux and Dufresny to write a play that will allay the public’s doubts about his new system of paper money and trade:

**Law**

What I really need, Mr Dufresny, is for the people to, temporarily, suspend their disbelief.

**Dufresny**

I’m with you.

**Law**

So if I’m to be your patron, you would do well to write a play, to say the things that need to be said.

[...]

The economy is healthy, but people are afflicted by the disease of doubt. They don’t... feel good. You could write something that would make the people feel good. [...] A parable, to help them believe.

**Dufresny**

How much would you be looking at, for these types of changes?

**Law**

How much do you think it’s worth? (II. ii, 69–70.)

Of course, the cost of the play is not quite the same thing as its value. Not least because, as *The Speculator* implies, ‘Creative speculation [...] always depends heavily on subsidy’. The NTS was similarly dependant on a significant subsidy, this time from the public purse.

The NTS was the first national theatre of the new millennium and, as such, its functions, responsibilities and choices differ in important ways from the national theatres of the nineteenth-century nationalist movement and the mid-twentieth century modernist discourse. The NTS was created by consensus within an existing theatre community and by the political will of a new parliament. Together what they created was something innovative, flexible and fleet of foot. When many national theatres inhabit statement buildings—buildings of symbolic meaning and often of architectural significance too—the NTS has neither a performing base nor a core company. Instead it was conceived—and to some degree still continues—to commission work from other companies and artists, collaborating with and partnering other companies and practitioners in co-productions of all kinds, from main stage to small-scale tour to workshop and

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laboratory. The NTS is artist-led, with a relatively youthful senior management team and, still remarkable within Scotland’s major arts organisations, a woman, the director Vicky Featherstone, as chief executive. It is, according to one of its by-lines, a ‘theatre without walls’.

The £8 million that paid for the first two years of operation the NTS—around 16 months of production work—bought 59 productions that were performed in 101 locations spread over three continents. There was a total of 967 performances playing to 235,000 people. In the same period the NTS has worked with more than 30 directors, 50 designers and 10 composers. It employed 286 performers for 3005 weeks, 59 stage managers for 760 weeks, and 113 technicians for 1090 weeks. Part of the Learn division’s activity was 2690 workshops for 8,971 people. Work achieved by the New Work division included the commissioning of 24 playwrights and support for the development of 32 other theatre projects. In addition there was a programme of associate artists and director residencies and an experiment with a new resident company of early career theatre makers. The senior management team—lead by the media friendly and politically astute Featherstone—was highly visible out and about and other cultural and indeed political events across Scotland. Its self-generated production income was £529,000.\(^{17}\) There was certainly the odd misstep,

| Principle details of NTS income and expenditure of financial years 2005 / 06 and 2006 / 07 |
|-----------------------------------------------|----------------|----------------|
| **Year ended March**                         | **Year ended March** |
| **2006 (£000s)**                             | **2007 (£000s)** |
| Scottish Arts Council grant                  | 4,055           | 4,000          |
| Other grants received                        | 213             | 150            |
| Production income                            | 529             |                |
| Core costs                                   | 912             | 1,229          |
| Programme costs                              | 2,023           | 3,956          |
| Reserves carried forward                     | 1,209           | 419            |

**Note** - the NTS proposes that its first two financial years should be seen as one period. This is because, launching in February 2006, it did not produce a full programme of activity in its first financial year and did not utilise the full £4m grant awarded. This resulted in reserves carried forward at the year end.

\(^{17}\) Headline figures from National Theatre of Scotland, *From Home to Here: The First Two Years* (Glasgow, 2008).
failed initiative and disappointing production—but, overall, the momentum was compelling and the NTS was and continues to be a good news story.

Not least because there was *Black Watch* (2006), the flagship production of the flagship company that lifted solid growth and respectable success to something altogether different. *Black Watch*—written by Gregory Burke and directed by John Tiffany—was the undisputed hit of the 2006 Edinburgh festival season Fringe. Be-garlanded five-star reviews—and at least one six star review—it toured nationally and internationally until late 2008. It won numerous awards for the quality of its writing, directing and ensemble. The Scottish press reported its subsequent successful international tour and growing list of awards in terms usually reserved for national sporting champions: *Black Watch* is the ‘most successful Scottish play of all time’, and arguably the Scottish play seen by the most people ever. Tellingly, after the show’s huge success in the US, new First Minister Alex Salmond is reported to have said that *Black Watch* represented Scotland plc abroad more effectively than any trade show or delegation.

There are many stories to tell about *Black Watch*, many debates to be had about its representations and its politics (or lack thereof).18 In this essay one story will suffice. To mark the opening of the new Scottish parliamentary session in June 2007—the first parliamentary session of the Nationalist government—the First Minister ‘commanded’, as one commentator put it, two gala performances of *Black Watch*. This raised some questions in the press about the relationship between the government and its national companies.19 Could the NTS have said ‘no’ to the invitation? Should it have said no? Featherstone and her team were quick to underline that what was being marked was the opening of Parliament not the election of a particular government. The less cynical saw the production and these performances as achieving exactly that testing dialogue and conversation that society might want from a national

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18 See, for example, David Archibald, “‘We’re just big bullies…’: Gregory Burke’s Black Watch’, *The Drouth*, 26 (2008), 8–13.
19 Writing in *The Herald*, Keith Bruce asked the following:

On Friday of this week, the sensation of last year’s Edinburgh Festival Fringe [Black Watch] will be revived in a command performance for the opening of the new session of the Scottish Parliament. […] The NTS artistic director Vicky Featherstone assured *The Herald’s* arts correspondent she could have refused the request. But could she, really?

theatre, taking that dialogue to the very heart of government in a fresh and distinctive way—after all the event did have the benefit of ensuring that most of the MSPs did see at least one piece of work by the National Theatre. In contrast, the more cynical saw Parliament and the Government as looking for a bit of the reflected success of something that they had created and we had paid for, staking a claim of ownership of the NTS—with the company falling into obedient line.20

Why do you want to go back?

In *The Speculator*, David Greig re-imagines a socio-historical anxiety of conflicting cultural identities—competing centripetal and centrifugal forces—at the heart of eighteenth-century Europe:

**Islay**

Why do you want to go back [to Scotland], Mr Law?

You’re in Paris, man.

Paris is the centre of the fucking world—

You’d need to be fucked up to want to go back to Edinburgh.

**Law**

I don’t need Paris, Islay.

I’m a rich man.

It’s not physically possible to be richer than me. I control the assets of a quarter of the world. I can satisfy any desire it’s possible to imagine.

**Islay**

I suppose that could fuck you up.

**Law**

There’s no end to me, Islay.

No night, no day, no possible, no impossible.

I’m limitless.

[…] French princes begging at the door.

And we’re here.

Scots—the pair of us.

**Islay**

And proud of it.

**Law**

—weightless.

**Islay**

But fucked up about it as well. (I. viii, 29–30.)

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20 The weekend of the opening of Parliament and these stagings of *Black Watch* coincided with the car bomb attack on Glasgow Airport which meant that some MSPs, including the First Minister, were otherwise engaged with the attack’s practical and political ramifications and so missed the show!
The tension between local identities and international forces—the tensions articulated in Law and Islay’s exchange—are also the challenges of modern global politics and they are the particular challenges of any national theatre after nationalism.

In recent years the critical literature around the idea of identity—and in particular national identity—has shifted, with historians, social scientists, artists and critics alike pursuing a new interrogation of the critical orthodoxies of cultural imperialism, colonialism, marginalisation, leading to a reconsideration of issues of identity. And, for all the changes in favour of the global and its homogenising economic and scientific universals, nationality does not disappear: on the whole, the trend is in quite a contrary direction; fundamentally nations, nationalism, national identities bounce back. The contemporary world of globalisation, in Arif Dirlik’s terms, all too clearly ‘requires recognition of different temporalities and spatialities’.21 Writing about modern Scottish playwrights, Nadine Holdsworth makes the same point when she argues that, ‘there is something residually important about the nation, something that is worth trying to hold on to, worth trying to articulate amidst the increasing encroachment of globalization into all areas of economic, political and cultural life’.

22 As Andrew O’Hagan has put it, ‘one piece of ground is [not] the same as another. Each piece of ground is different, and the arts should be an ongoing investigation of that difference, an attempt to beautify and enrich the native gardens without becoming too conscious of the fences that surround them.’23 O’Hagan’s point chimes with contemporary border theory that has ‘subverted the notion of the border as the limit that defines and contains’ and transformed it into a place of connectivity.24 Such articulations of cultural connectivity, hybridity


24 Michal Kobialka (ed.), Of Borders and Thresholds: Theatre History, Practice and Theory (Minneapolis, 1999), iii.
and identity mutability are pregnant for a national theatre predicated on partnership and collaboration.

Built on cultural and political consensus within Scotland, the way that NTS has been constituted is an attempt to create a national theatre that would indeed be fit for purpose in this globalised, multi-cultural, technologically sophisticated age in one small nation, a wholly new model for a national theatre, not a gerrymandered revision of something designed for nineteenth century nation building or end of empire retrenchment. The ‘without walls’ shape of NTS activity deconstructs the totemic values of nation-building national theatre repertoires and the centralising gravitational pull of the cultural temples to preferred versions of the nation represented in and through national theatre buildings.

But the NTS is also a company that—along with Scotland’s other four national performing companies the Royal Scottish National Orchestra, the Scottish Chamber Orchestra, Scottish Ballet and Scottish Opera—has never been closer to government. From April 2007—and so a policy of a Labour-Liberal government—Scotland’s national performing arts companies have been taken out of the portfolio of Scottish Arts Council clients and have been financed directly by the Scottish Government via a new part of the Government’s administrative structure, the National Performing Companies Unit. Perhaps the NTS, whilst a speculation by the theatre community, is a bit more of a gamble for government?

Despite this infrastructural shift, there does not appear to have been any great change of focus or concern in the affected companies or their cultural output. In the short term, at the very least it has had the unexpected benefit of protecting the national companies from the uncertainty blighting the rest of the cultural sector around the formation of the new agency, Creative Scotland. Of longer-term significance, the lack of debate and fuss around the national companies coming into direct government control has, perhaps, exposed the arm’s length principle as something of an outmoded vestige of a bygone era.

But, even if not as a direct consequence of its new reporting and funding mechanisms at the heart of government, the NTS has changed; it has evolved from the speculations proposed by the FST, by the Independent Working Group and by the Executive. The NTS was brought about by focused advocacy in the theatre sector and political will in government. While the Government and the Parliament may be happy with their investment, there are signs that the wider theatre sector is less convinced and certainly the consensus in the wider theatre sector has broken down. Led by artists, indeed led by young
artists with their own on-stage visions to develop, the NTS is not quite the model of collaboration and partnership that the wider sector anticipated. There is less money coming from the NTS into the constituent parts of the Scottish theatre sector than that sector had anticipated. There is speculation that the wages and fees paid by the NTS are impacting negatively on other companies’ ability to work with the people they want. There have been fewer new plays brought to full commission than many hoped for given the strength of contemporary Scottish playwriting. In the 2008/2009 spring season only four full productions—and one of those a revival—were mounted, which has led some to question the size of the NTS staff. And, of course, without the remarkable success of *Black Watch*, it might have been a bit of a different story. So, for all the research and development done by the theatre makers, once the company was established, once the board was in place and the directorate appointed, once people were there, the model was always going to change. The return to the other theatre companies might not have been quite what they anticipated, but the return to audiences and to the reputation of Scotland and its theatre culture has been significant: a speculation that has paid dividends. Theatre is always a risk, always a gamble—and that can make it a scary thing for funders. Effective systems and structures and planning, excellent appointments and good ideas are crucial but, as *The Speculator* implies, ‘Creative speculation […] always depends heavily on subsidy’. In today’s difficult financial times—as in the difficult financial times of John Law’s Paris—keeping the money supply flowing is crucial. It is an important message: if you do invest in culture, in theatre, in a robust and proper way, you might not get exactly what you planned for but it is a fair bet that you will get some great theatre.
‘Traditional’ music In Ireland is, loosely speaking, the one-time popular music of its rural people—indigenous recreational music. Before the assembly of Gaelic consciousness and the age of recording this was unremarked upon. The invention of the recorded and broadcast sound object altered that, as did new forms of transmission which came out of revival, changing technologies, tourism and fresh identity within Europe. The music evolved from onetime decline to become a strong artistic and ideological constituency by the second half of the twentieth century. Its development of high artistic standards and economic and academic dimensions now round it out comfortably as a distinctive and often celebrated marker of Irishness. In this role it rivals European Art music in Ireland as a nationally-presentable status symbol. The nature of this process and the role of state initiative in it has been a progressive intervention which has worked in tandem with a high degree of extra-state cultural commitment and organisation.

Ethos, aesthetics and art

The compulsion to play music of any genre is generated by a host of factors of which instinctive musicianship is the most compelling and enduring. Music-related considerations such as peer involvement, local reputation and school training can be equally important, but extra-music issues are quite powerful agents too. Thus cultural identification and current politics are generally present as a guiding hand behind the visibility and uptake of Traditional music, an osmotic sponsorship which has played a significant role in Irish music development since the mid-nineteen hundreds.

Traditional music in Ireland is, at a personal level, for many, deeply embedded in the idea of national identity and is officially so at international or diplomatic level. It has multiple layers of aesthetics, styles and forms, and it occupies a niche in entertainment practices. Its most typical expression is the sport-like, energetic, casual performance ‘session’, but there is also
considerable formal and informal gig, concert and specialist festival activity. Instrumental music and song in Irish and English dominate these, but ballads, and social, competition or big-stage dance types are part of the greater genre as well. Artistes do not typically perceive their activity as being primarily about ‘entertainment’. It is about itself—in an artistic sense—‘The Music’. It is about melody, not harmony, and has been learned respectfully, note by note, from perceived superior players or mentors, often one to one. It carries a loading which while it could relate to national identity is more clearly felt as an honorary inclusion in a society which demands respect (towards evolved, established artistic norms) and responsibility (to pass it on—correctly). Despite the heady public edge of it that can be observed in tourism or youth scenes, it retains a sizable core, conservative bedrock of mostly older performers and aficionados who set standards and parameters by example, critique and organisational leadership. An Comhairle Ealaíon (The Arts Council of Ireland) has respected this set of learning practices and standards as the music’s self-definition since the 1980s. So too have the many thousands of non-Irish people who perform the music globally as a style of choice. This renders the music not just an identity adjunct for global Ireland, but also a deeply satisfying, meaningful, internationally-sustainable and marketable music genre.

Where it is played

A range of outlets for the music maximize its economic potential. The gamut of these runs from tourist kitsch and muzak to expensive instrumentation and large-scale concert promotion. They include tourism (it brings many thousands to Ireland annually), album and literature sales internationally, the entertainment industry (and its supply, catering, public relations and logistics), education (instrumental, dance and academic), print, audio and visual media, and live performance at home and abroad. Driving these, but also existing separately for many people, are more aesthetic considerations which view the music as:

– part of an individual’s personal, family or community life, organic to or acculturated by the locale, and uncomplicatedly available
– a demonstrable component of individual well-being, self-expression and sub-cultural confidence
– contributing to fulfilled, optimistic or satisfied people, from very old to
very young, in a mutually-respective continuum.
– a visible artistic environment which underpins commercial Ireland

It is the last of these points, the ‘national visibility’, which is significant in
intra-national or global considerations, for it indicates

– a demonstrable reality to what is a distinctive cultural icon
– a convenient and unique organic association of state and art
– a nation which places value on its own music
– a set of distinctive national aesthetics which operate at both high art and
  Popular levels
– an internationally-commercially-viable music product

Associations and economics

Irish Traditional music is no longer confined to the island and its Diaspora, and
it holds meaning abroad in addition to its distinctive Irishness. This renders
it expressive or evocative of other sought-after values such as ‘pre-electric’,
‘self-entertainment’, ‘artisan culture’, ‘natural’, ‘elemental’, ‘authentic’ and
‘earth-based’ – ‘the way things were’. Such have been strong factors in the music’s
popularity in England, Germany, Holland and west-coast USA. Indeed, each
of these dimensions is valuable not only to the music itself, but to advertising
and promotion of Irish-related consumer commodities—everything from
cheese to computer peripherals. This is, however, but one aspect of Traditional
music economics which engages with Irish and global society as follows.

1 Regional / national identity in music

Folk or traditional musics are—like accents, or languages—markers of local,
regional and national boundaries. Since their twentieth century revival such
musics can also be seen to represent class and urban values in addition to
geographical associations. Traditional musics are now typically the territory of
organised and conscious choice rather than of handed-on custom. Somewhat
paradoxically they are no longer real ‘Folk’ music either, for strictly speaking
that role is now fulfilled by what we know as Popular music with its mixed
pedigrees and random, free selection. But even though Popular music as consumed overall in Ireland is most likely to be predominantly ‘outsider’ in its artistes, melodies and lyrics, still, its local spectrum also includes ‘ballads’, and a smattering of Traditional dance music. That is, local Popular music in Ireland is coloured by Irish Traditional music (in much the same way as all European Popular musics have local ‘sound’). And even though Traditional Irish music products today are no more than 8% of total national music consumption, they are unequivocally recognisable and/or are relished for being distinctively Irish. Additionally, with Traditional music having elbowed its way on to the authority podium (in education and Arts funding) it now also commands attention as a free-standing genre, one which is nationally and culturally ‘authentic’, intellectually substantial, and artistically satisfying. In this role it commands a considerable degree of cross-class respect as ‘Irish’.

2 Social cohesiveness and non-material Irish wealth

Music could not be said to be crucial to everyone for day-by-day social cohesiveness in the modern world. But in any era of crisis it does tend to emerge as a rallying point. For instance, following the various election victories in the former Soviet states, people celebrated for international TV news in the streets by going through rudimentary ‘Folk’ dance routines and singing regional patriotic songs. Two decades previously, in Belfast, 1969, because the period of ‘the Troubles’ coincided with the revival of Traditional music, a parallel interest in Irish music developed as part of the social connectedness of civil rights and socialist politics.

It is a fact of history that Traditional music comes to be felt to express an Irish national sentiment rather than, say, an Anglo-Irish empathy, or, in Northern Ireland, a Loyalist aspiration. This is despite the mixed-nationalities origins of the music. There have been periods in the twentieth century when links between it and nationalist political ideology appeared overt—for instance musicians playing behind the barricades in the beginnings of ‘Free Derry’, or music being played on ‘Free Belfast’ nationalist radio in 1969, and the All Ireland Fleadh being cancelled in support of northern nationalists in 1971. The 1970s produced another such hiatus for national identification with music south of the border too, the period around Ireland’s entry and integration into the EU, wherein the Irish had to accept that since Irishness was no longer exclusively about feeding, financing or providing for oneself as a nation, it must also mean
other things. Traditional music was perhaps strongest among these. Along with
song and dance in Ireland it fulfils the kind of historic cultural functions which
might be expected nationally in any society. It also underpins much local self-
reliance and cohesion. Its participants are more producers than consumers for
whom the music is built into both history and being.

The cynical may cringe at the wee girls going to dance classes with their
ringleted hair, at the posse of children carrying tin whistles to a schoolroom
on a weekday evening, or at the seeming dullness of a local or parish céilí or
concert. One may shudder too at the sight or memory of the furrowed-brow,
Irish dance facilitator, or a primary-level teacher demonstrating Irish-
language song badly. Yet these things are of the place, and fundamental to
a culturally grounded or conceived sense of community life. They tap into
and stimulate individual self expression, develop artistic connectedness and
build social consciousness. People do not live in wide-screen choreographed,
scripted perfection, or in the misery, nastiness, ego, greed and stupidity of
Television ‘gong show’ public, global humiliation. Much as one may consume
such products, one does not see this as life for one’s children. Music, broadly
speaking, is one of a number of activities (all of which are most likely
interchangeable) which, voluntarily initiated and often local authority or state
supported, initiate meaning in young people’s lives. It remains as a base to
identity, even where economic disaster may otherwise damage the quality of
life. One teaches language in the language of the locality, and in its accent,
inside an education framework which is of the language by ethos and tradition.
Therefore it is logical that the same should be done for music.

3 The Arts as provocative

All composers, performers and consumers in music seek satisfaction and
aesthetic fulfillment, but in different degrees. A broadly-applicable artistic
awareness will be seeded for most participants by immersion or enculturation
in any music genre. This can stimulate or precipitate fresh thinking, but it
will not be the same for everyone. The adventurous, courageous, impatient
or simply different few will need to break out from the basic boundaries
by challenging a variety of perceived constraints—such as sameness, low
standards, restrictiveness, conservatism—and may abandon a genre, and even
a place, in order to engage with an environment of otherness. But since these
people will likely go on to engage with some other particular music, this is not
an argument for not basing music education in one genre, such as that which is most readily, and meaningfully, locally available. A core but non-specific artistic awareness is passed on in the process of learning the instrumental skills, aesthetic consideration and rhythmic ability required for all musics, including indigenous, regional or local musics. Such levels of expression become the basis for any further progress, whether inside or outside the genre. But since the nature and quality of how these factors are imparted to a learner are critical to one’s development of open-ness, the ability to challenge and to imagine newness, the actual quality of teaching and learning of music becomes more important than actual genre.

4 Regional and national identity

Strong senses of regional music identity exist in several places in Ireland, in some more intensely than in others, only not as visibly perhaps as the centuries-long, literate, material associations which Leipzig or Salzburg have with European Art music. The strongest Irish style region historically has been Co. Sligo, an image generated by local players who recorded and broadcast in the USA during the first half of the twentieth century. This provided a stimulus also to a national sense of value in Traditional music, the benefit of which has been successfully promoted by another region – Co. Clare. This was on account of a combination of factors, not least being that Clare had the advantage of already having a tradition of providing facilities and entertainments for summer tourism. It also has spectacular sea-coast scenery, and, being in the west, has topographical and architectural features which mark it as a place associated with beauty, escape and difference. Its music marketability was initially built around the uilleann pipes, was boosted by local broadcasters, and has been developed by canny business minds. The Northern Ireland tourist board indeed has also for many years been capitalising on the ‘local music distinctiveness’ angle with Fermanagh music in advertising, and even, in the early days, using music session photos taken in Co. Clare.

Ireland’s Traditional music is internationally valuable. It is rendered particularly attractive on account of the fact that English is spoken and understood in the country. Thus the music, its associations, literature and recordings are quite accessible to the largest English-speaking tour blocs, Britain and the US, and to a European community which has familiarity with English.
5 Activists and the market

Music in Ireland has a three-chambered polarisation—Classical, Traditional and Popular, with considerable inter-referencing among them. In a world where ‘music’ was once officially an elite preserve, each has come to dominate in particular spheres of influence—Classical in school music; Traditional in organised music teaching; and performance around Irishness, Popular in free choice environments. However, boundaries became somewhat porous, beginning with the icons of the popular ‘ballads’ such as The Dubliners and The Clancy Brothers who opened up Traditional instrumental music to a new generation of popular interest and participative talent. The composer Seán Ó Riada and others otherwise colonised Classical with Traditional ethos, and, aided by this, Traditional began to move into the education space—including third level which was once the exclusive terrain of Classical. Behind the economic scenes in Ireland, however, a major labour of patient preservation, documentation, organising, rebuilding, analysis and publication was being done by Traditional music revivalists, aesthetes and ideologues. This gradually garnered respect from the state’s Arts Council, the support of which became crucial to nurturing an independent artistic ethos and self-image within Traditional music society. Market forces have been and remain of tremendous impetus and directional value to Traditional music. But they require complementary intervention by committed music activists and by the state in order for the artistic integrity of the genre to be maintained.

6 Ireland and Scotland in music

Irish and Scottish musics are deeply linked and structurally similar, but each has a distinctive accent and styles of practice which derive from different post-eighteenth-century historical conditions. Traditional music in Ireland did benefit from the island’s political miseries and economic marginalisation in that it came to be revered for its representation of history in a recreational fashion. The organised structures of teaching, peer learning and performance which were provided in Ireland, some of which were state- or local authority-supported, yielded a pool of high talent which has filtered out internationally. Thus education—albeit voluntary, and ideologically motivated, and largely extra state—seeded and nurtured talents which drew on resources that were assembled by earlier generations of cultural ideologues and forward thinkers.
Scotland has an equally large song and music body and instrumental practices which are also moulded by political experiences. These are now considerably facilitated by devolution, rendering them both competitive with and complementary to Irish Traditional music practices. In this sense the new Scotland has rushed to provide for ‘its own music’, and in doing so opens up facilities for Irish performers to play in Scotland, and vice versa. The present-day burgeoning Scottish Traditional music scene was indeed sparked by considerable Irish music performance in urban venues in the major Scottish cities until as late as the 1990s. The fact that this is now replaced by Scottish music says much for Scottish performer and audience taste and confidence, and for education in and / or faith in local or indigenous arts. The rapid development of the huge annual Celtic Connections festival in Glasgow underscores this as well as affirming Scottish Traditional ‘sound’ within a Popular music panoply.

7 Traditional music in EU cultural identity

Irish Traditional music is seen by itself as itself, and eschews representation by others. Europe, with considerable damage done to its own regional musics as a result of appropriation in the Second World War period, has been open as a market to it, perceiving it as more genuine, or less amended by industrialisation. There it fulfils the desire for an organic music ‘of place’ which does not share the hierarchical canon of major state and religious institutions. Such a niche may not have opened up without the opportunity of the EU, which is now a terrific market for Irish and Scottish Traditional music performance and products. This leads to another challenging issue, that of the musics being ‘copied’—played casually, socially and commercially by people of other nationalities. Irish music has now almost indiginised in German, French and Italian contexts (as has Jazz in Czechoslovakia, or Salsa in Norway) so that today a considerable number of bands play exclusively Irish music, occasionally hybridised with other European folk musics. As for ‘straight’ performance of Irish music, there remains a sizeable market for this, with thirty two Irish Music festivals outside Ireland, many of which are in Europe. The one in the Dordogne region of France teaches some 150 mostly mature students each year, and others deal with smaller numbers of learners who typically play in bands through which they exercise further influence. The teachers in such schools are generally Irish, for the same reasons that one
would naturally give greater status to a French-born teacher of French, or to a games teacher who themselves has been a sports professional.

8 Small scale versus large scale

Many large-scale interventions are made by Traditional musicians, and by touring bands at festivals in Europe and the US; these often play to large houses of 2000–8000. *Riverdance*, at the top economic end of the full span of this genre, is the exception in that it has played live to some millions in addition to television audiences of scores of millions. Such ‘spectacular’ presentation creates fresh eyes and ears for the music of Ireland, and opens the swathe for smaller enterprises. *Riverdance* alone has fed many hundreds of mouths among Irish musicians since 1995, and The Chieftains too helped establish Irish music on the map, one result of which was the inclusion of the Kilfenora Céilí Band at the massive Glastonbury Rock Festival in 2009.

Amplification, magnification, reproduction and marketing are how musics are made ‘mass’, and this intervention is available to any music form. But such technological devices alone do not make a music compatible with large scale production, or guarantee success. Traditional musics as they stand can be seen to be of most enduring, and meaningful, value within their communities. Socially, they are more likely to be played in local context in their core, standard form, and thus can mediate community music-making fabulously. In such situations they are on many occasions done largely for the performers themselves, and for a small number of aficionados who know the music intimately, and often have had instrumental, song or dance education in their early years. Outside consumers/attendees are no more necessary for a music session of like minded players than they would be for a choir or band practice. But this doesn’t devalue the importance of the particular event for the players or community.

As for the material and psychological community value, for instance, behind a seemingly quiet music session of a dozen people there are, variously, typically family structures with music consciousness and most often considerable financial investment in teaching, travel and instruments. This broadens the involvement to upwards of fifty people, and to much more where there are other relatives locally. There are also local friends who know the players and while they may not themselves play, are aware of the significance of playing, and may experience its interconnectedness to other things—sport, work, church or
school. This might bring the tally of directly- and indirectly-involved persons up to a hundred or more, a figure which is expanded when local service-providers are included. The social and economic impact of what appears to be a small event is considerable, and in this way a cumulative awareness of music culture and tradition is established and maintained.

9 Exploiting tourism potential

Most of those involved in Traditional music today have no problem about utilising an indigenous artform to promote an individual performer, the music of the place, and the nation. But it is argued here that it is imperative that such musics be marketed for what they are—for that is what makes them distinctive. While it is the band’s or performer’s name of course which ultimately gets to be known, nevertheless it is performance in a genre—a specific sensibility, accent and aesthetic of music—which in Traditional musics carries the recognisable national identity tag. Yet there is an obligation for a professional performer to be different as well as excellent, with a technical brilliance or compositional savvy which re-interprets the familiar and revives the obscure with aesthetic sensibility, yet is creative and challenging within the genre. However, no ‘national’ band of exceptional ability will be internationally-free-standing. For the selective mind of the performer is working within the choice of music and style which their national genre uniquely provides and has conditioned them to best perform. Irish performers have demonstrated that commodification of art in relation to nationality is possible with dignity under national labels, without xenophobia or elitism, and without resorting to cliché.

10 Spin-off economic potential

Irish national broadcasting has always promoted Traditional music in some degree as part of its social commitment, producing many iconic and timelessly valuable radio and early television shows. All the material was hugely influential in providing listening, learning and promotional opportunities which themselves became part of, if not the key to, revival and the seeds of professionalism. These have been of incalculable benefit nationally. The advent of independent television sub-production however has, since the 1980s, made it possible to generate strictly money-making or ‘resalable’ programmes.
This era was begun proper with the 1991 *Bringing it All Back Home* Irish television series. The next production was *Riverdance*, a television filler which was expanded to a spectacular show and went on to reap rewards without end on tour, on CD, Video and DVD. Then came *River Of Sound*, 1995, and later, many other documentaries—including those on Christy Moore, Dónal Lunny and Paul Brady. Such series are the work of a different production logic which has no particular constraint on it other than paying fees for rights. The producers own their material outright rather than holding it in trust as did the National broadcaster in the past, and they market it wherever there might be an audience. Logically this kind of activity is restricted to ‘big’ or known names, those with one foot in popular music, but it can apply successfully to major Irish music events also—such as is done by Scottish TV with Celtic Connections.

Much of the ‘living’ for musicians is made in album sales where a serious trickle of revenue can be generated, especially among the many hundreds of lesser known figures who ply Folk Club and Festival paths. Contributing too to these invisible earnings for the homeland are album and internet download agencies. In addition to listening and viewing music as entertainment there are other outlets, in particular the academic and educational, archival and library, which provide work in live performance, lecturing and research. Yet Traditional music is far from competitive with major industry for productivity, and it directly sustains a community of individuals and families which is quite small. But it does make an impact on Irish cultural life which is disproportionately greater than its earnings. For it contributes to an immediate music culture which renders Ireland a visible marketable presence from which tourism’s labour-intensive services of accommodation, eating, drinking and travel benefit greatly.

**Enterprise**

There has always been such spin-off money in Traditional music. The early music festival—the Fleadh Cheoil—attracted huge interest from a young population which craved difference and experience. This was the beginning of mass music culture in Ireland—the one large crowd all going to the one multi-venue event in order to enjoy themselves simultaneously and collectively. At a 1960s fleadh one improvised culinary emporium reported that seven hundred roast chickens, and chips, were sold in a day. The streets were carpeted with
chicken bones and paper; the riot squad was used to clear the bars at closing time. High sales for entrepreneurship and hospitality, overtime for the street sweepers and police.

Today’s music festivals and schools are less giddy and highly organised. They attract up to 40% of their several hundred thousands of participants from outside the state. There is also a perpetual presence of music tourists throughout the year who support a network of dedicated Traditional music bars and events. In 2009 twenty-six Traditional music festivals were current in Ireland, and a further thirty-two abroad. In addition to these there were forty-one fleadh cheoils (the biggest set to attract over 200k people), seven others in the USA and Britain. There are twenty non-State, seasonal Traditional music schools in Ireland, most in the summer time, and nine of the Irish universities and third-level colleges provide teaching and supervision in Traditional music up to post-Doctoral level. There are a dozen major dedicated Traditional music teaching and performance facilities on the island, the biggest being the Clasach venue in Dublin.

The Arts Councils

The greater part of economic data on Traditional music is difficult to gather. Most visible is State support. Both the Arts Council of Ireland and the Arts Council of Northern Ireland fund the music considerately and directly. The Northern Ireland agency, in addition to covering its own territory, contributes to the Willie Clancy Summer School in Clare, as well as to the Irish Traditional Music Archive in Dublin. Both of these are outside its material jurisdiction, but it recognises that each is a significant contributor to the music education and sense of well being of the many northern Irish citizens who play and appreciate Traditional music. The Arts Council of Ireland in Dublin began support for Traditional music in earnest in the 1980s, reaching a peak in 1991, when it gave it 31% of all music funding. Since 2005 it administers this directly to small, medium and large scale Traditional music initiatives and agencies through combination of bursaries, capital grants, festivals support and the Deis music awards scheme. Deis's budget began with c. €70k in 2005, rising to €700k in 2008, over which time the artiste-monitored scheme supported 250 initiatives.

Arts Council involvement with Traditional music in Ireland can be summarised as being supportive (to the genre via events and the individual performer), educational (via provision for master [sic] classes, research and
archives), standards enhancing (via select performance funding) and directive (through policy on any or all of these issues).

**Traditional music in the economy of the future**

Edinburgh theatre director Andi Ross said in 1997 that “the State doesn’t support Art—artists support Art”. So it is for Traditional music, around which there is ranged a diverse set of economies, many of which only exist on account of its ‘special nature’—the relation to identity and nation. These include, in addition to the personal value to players and to their immediate associates, regular and occasional local playing, and high-visibility national, international and media performance. Hinging on this is a network of teachers and teaching, second- and third-level academic education and assessment, media production, books, journalism, representation and PR, music and instrument sales—all of which generate part-income and boost local economies in addition to providing business for national enterprises such as CD manufacture, printing and instrument making. The psyche of citizens cannot be overlooked either, especially in a climate of economic downturn where increasing use is being made of self-entertainment and add-on education.

This not something that can happen undirected, for, left alone, musics are subject to human attention-span limits, superficial or ephemeral consumption, fashion and fetishisation. Increase in marketing of Traditional music outside its homeland or Diaspora demands parallel multi-level, educative effort. This can be implemented via dedicated magazines, academic journals, end-user oriented literature and digital products and international discursive events.

Such a scenario likely will not be achieved, however, by any one Traditional music ‘going it alone’, but in cross-national alliances where like is respected as like. A logical approach in this is to learn from the rubric ‘Classical’ which is accepted to contain and express many different approaches and associations in music from the very old to the post modern, but all united in a shared sense of scale and literacy-related aesthetic. With equivalent accuracy the term ‘Folk’ could be applied as an umbrella category which includes all of Europe’s folk musics wherein there is a common sense of aurally/orally transmitted aesthetics and style, selective use of literacy, and large areas of structural similarity, peripheral overlap and mutual borrowing.

One does not want Irish or Scottish traditional musics to ‘sweep the world’, but they should continue to value their established artistic distinctiveness. They
need to compete for their appropriate share of national and international mind-space in a world which pushes relentlessly toward Alan Lomax’s ‘cultural gray-out’. This suggests the desirability of Irish-Scottish collaboration, and liaison with complementary genres in Europe. Such can only be implemented by musicians and thinkers in Traditional musics, but the State, through the Arts Councils, must also be on hand too—informed, confident, eager and willing.

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Scotland’s Traditional Music and Song as Cultural, Social, and Economic Assets

Ian Russell

The notion of a country’s traditional performance culture as an asset implies not only that it might be useful and valuable to the people of a nation, but also that its intrinsic value might in some way be realised as ‘capital’ or ‘property’. Following established practices in Korea\(^1\) and Japan,\(^2\) I would argue that if we equate ‘culture’ with ‘asset’, we must conceive its value in cultural and social terms, as well as the economic benefits it might bring to a community, group, or individuals. In this paper I want to examine the rationale behind this statement, exploring some of the various ways that Scotland’s traditional music is presented and represented, performed and communicated, marketed and promoted, received and understood, as an expression of distinct identity at local, regional, national, and trans-national levels. For Scotland, 2009 is a particularly pertinent time to undertake such a review, being the 250th anniversary of the birth of Robert Burns, Scotland’s greatest song writer, which is being celebrated in a nationwide initiative to attract international visitors of Scots ancestry, with the hooks of the bard, genealogy, whisky, golf, great minds and innovations, and culture and heritage, including clan gatherings.\(^3\)

Traditional/folk music, including song, falls within a definition of culture that UNESCO has categorised as ‘Intangible Cultural Heritage’ (ICH),\(^4\) and which complements human rights instruments. The main tenets of this Convention are:

– the recognition of and respect for diversity;
– the importance of trans-generational transmission;


the identification of a dynamic element—the constant recreation in multiple forms or variations of items of heritage through performance, in response to context from both synchronic and diachronic perspectives. Above all else, ICH tells us who we are (our identity) and where we have come from (our cultural tradition). This heritage is defined as ‘intangible’ because it is not evidenced primarily by material culture, for example, architecture, paintings, sculpture, or published literature, but mainly through oral traditions that are stored in the mind and enacted through the body. There is a clear understanding that the ICH under discussion, with its focus on communities, groups, and individuals, is essentially grassroots and vernacular in expression, in contradistinction to institutionalised high arts, such as opera, ballet, and chamber music. An essential feature of the UNESCO Convention is to give recognition, and hence status, to individual manifestations of ICH through the construction of national and regional inventories. In this process of naming and listing assets or properties there is inevitably an acceptance that the continued practice or existence of certain assets may be endangered, fragile, or threatened by the effects of globalisation, whereas others may be vibrant, resilient, adaptive, and responsive.

One of the essential aspects of this process of producing an inventory is that of ‘representativeness’, as it relates to assets or human agency. This operates in several ways. For example, a repertoire of songs associated with a certain activity may be identified (such as songs for ‘waulking’ or fulling cloth from the Outer Hebrides), but this does not exclude other similar repertoires of work songs (such as songs for hand-mowing grass with a scythe or sickle), or individual songs that may form part of this repertory. Hence there is no sense of completeness or exclusivity to the inventory. ‘Representativeness’ also allows for the identification of exceptional individuals, groups, or communities who carry this knowledge, and their recognition is as esteemed ‘tradition bearers’.

The UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage, as drawn up in Paris, 17 October 2003, at the time of writing has

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7 Ibid., Article 16.
114 countries\(^8\) which have ratified, accepted, or approved its instruments. Regrettably neither the UK nor Ireland has as yet chosen to sign up to this convention. However, the devolved Scottish and Welsh governments, as well as Yorkshire in England, have taken preliminary steps and set in motion pilot studies. In the case of Scotland this has fallen to the Scottish Arts Council and the Scottish Museums Council, who commissioned Professors Alison McCleery and Alistair McCleery of Napier University, Edinburgh, to undertake a preliminary study, which has been taken forward to an AHRC-funded data gathering exercise (£363,485).\(^9\)

The statement of the Convention that ICH ‘provides people with a sense of identity and continuity and its safeguarding promotes, sustains, and develops cultural diversity and human creativity’,\(^10\) contrasts somewhat with the UK take on how the Convention might benefit British society with its concern for social integration, ‘furthering identity, values and social inclusion, social cohesion and cultural/human creativity’.\(^11\) Similarly, the Scottish initiative at Napier foregrounds inclusiveness and diversity, and resonates with the Scottish Government’s commitment ‘to serve all the people of Scotland, regardless of a person’s race, religion, culture, ethnicity or other background’.\(^12\)

According to the Convention, ICH is manifested in five domains:

1) Oral traditions and expressions;
2) Performing arts (such as traditional music, dance, and theatre);
3) Social practices, rituals, and festive events;
4) Knowledge and practices concerning nature and the universe;
5) Traditional craftsmanship.

The traditional music of Scotland clearly falls mainly but not exclusively within the first three of these domains. For North-East Scotland notable assets include the fishermen’s flute bands that have both sacred and secular tunes in


\(^11\) ‘UK and UNESCO: Challenges and Opportunities’ conference briefing.

their repertoire,\textsuperscript{13} the North-East fiddle style with its strong up-driven bow,\textsuperscript{14} the singing of traditional ballads (‘muckle sangs’) as practised by (Gypsy) Travellers,\textsuperscript{15} and the bothy ballad tradition of occupational songs associated with the agricultural hinterland.\textsuperscript{16}

The purpose of this introduction has been to demonstrate that there is an international consensus that traditional culture/heritage including music and song are vital assets that need to be recognised, detailed, assessed, celebrated, and safeguarded for the future in the interests of diversity. ICH or living heritage ‘is the mainspring of our cultural diversity and its maintenance a guarantee for continuing creativity’.\textsuperscript{17} In this next section I will consider some of the principal manners in which these assets are realised and exploited in a Scottish context.

Traditional music in Scotland is manifested in many different ways. These range from domestic contexts, through educational projects and workshops, clubs and societies, to community initiatives, concerts and festivals, and broadcasting, recording, and downloading from the internet. Here I will focus on the public performance events, because these are the areas in which it is most easy to observe and record impact, including participant information, ticket sales, sponsorship, and so on.

In a recent study by Lesley Stevenson\textsuperscript{18} she identified several different types of traditional music festivals, ranging from the commercial urban-based events such as Celtic Connections, to the ‘not for profit’ events, notably those organised by the TMSA, which are based in more rural locations, for example the festivals at Keith, Kirriemuir, and Auchtermuchty.\textsuperscript{19} She also noted a number of events organised by entrepreneurs who had insider


\textsuperscript{19} The Traditional Music and Song Association of Scotland (TMSA), http://www.tmsa.org.uk/, accessed 20 June 2009.
knowledge of the traditional music scene, and were practitioner-based, such as Speyfest at Fochabers. Some of these provide a wide variety of entertainment; others are of a more specialist nature, for example the Traditional Singing Weekend at Cullerlie or the Edinburgh International Harp Festival. The size in terms of visitor numbers may vary from less than a hundred to many thousands. Similarly the ethos may vary between those commercially-based events that clearly distinguish between professional artists and audience, and others where the boundaries are blurred, there is an absence of ‘star’ culture, and the emphasis is on participation with a high level of volunteering.

Festivals may also be characterised by the nature of participation, for example the principal Gaelic festival, the Royal National Mod is built entirely around a competition structure in contrast to the Fèisean nan Gàidheal movement festivals which eschew competitions in favour of tutor-led workshops for young people. Modelled on the Irish fleadh, the Traditional Music and Song Association of Scotland (TMSA), founded in 1966, includes competitions in its festivals which are intended to be fully supportive and encouraging:

The organisation actively promotes Scottish traditional music by running festivals […] and competitions, and helps create an environment in which old and new interpretations of traditional music and song can flourish.

The North Atlantic Fiddle Convention (NAFCo) held in Aberdeen in 2001 and 2006 combined tutor-led workshops and master classes with formal

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23 Stevenson, 107–47.
concerts and market-place based events, such as busking trails and pub sessions, alongside an academic conference.

There are also several ways in which the regional identity of festivals is promoted. For example, the Newcastleton Traditional Music Festival encourages the performance of border ballads by hosting an annual contest; similarly the Buchan Heritage Society Festival at Strichen in Aberdeenshire is one of several in the North-East that run bothy ballad competitions, and competitions for the recitation of local Scots verse in the ‘Doric’ tongue.

Many festivals use the notion of ‘authenticity’ as a promotional tool in terms of location, artists, or content. Hence the Border Gaitherin is ‘at Coldstream on the banks of the River Tweed’, the World Ceilidh stresses its setting as a ‘unique family festival on a remote greenfield site in the Galloway hills’, whereas the Hebridean Celtic Festival is ‘set against the rich cultural backdrop of the Outer Hebrides’. Undoubtedly small towns, villages and rural locations are strong selling points. The ‘lineage’ of singers and instrumentalists in terms of family connections, mentoring influences, upbringing, and geographical location is similarly stressed. The musical content is also a reason for endorsement. In the Celtic Connections festival the publicity states that it is ‘the UK’s premier Celtic music festival’, but the idea that it is devoted largely or exclusively to Gaelic or Celtic culture is not the case. The Carrying Stream festival in Edinburgh advertises that it commemorates the legacy of the folk song collector, Hamish Henderson, by way of a testimonial. Intimacy is stressed at some festivals such as the Fife Traditional Singing Weekend at Collessie, where numbers are strictly limited. Such festivals can suffer from too much success: the Portpatrick Folk Festival is a case in point.

Many musicians and singers have been and are highly critical of the way traditional music and song is marketed for tourists in Scottish nights that

33 Ibid.
package pipers in full Highland dress and kilted tenors with shortbread and heather. Such staged spectacles synthesise Burns Nights celebrations and homogenise the music in a fantasised Brigadoon, lacking all sense of regional distinctiveness. Inevitably such productions are in the control of and directed by promoters rather than the musicians themselves.38

It was partly in response to this narrow image that the Smithsonian Institution, when Scotland was represented at the Folklife Festival in Washington DC in 2003, produced the CD *Scotland the Real*,39 which deliberately avoided such clichéd representation—Nancy Groce, the curator, wrote in the programme: ‘it’s just that the real Scotland is even more varied and interesting than the stereotypes’.40 Similarly a number of Scottish Government initiatives have been introduced since Devolution in 1999 to counter this image for tourists.

One of these has been the Traditional Music and Tourist Initiative (TMTI),41 promoted by the Scottish Arts Council and Scottish Tourist Board (1999–2002), which sought to raise the profile of traditional music in Scotland and improve access to it for visitors. Based on comparisons with Ireland, it was felt that encouraging and promoting privileged sessions would be greatly beneficial and a ‘low cost’ initiative. This ‘staged’ informality was informed by the premise that tourists/visitors sought, in Dean MacCannell’s terms, the ‘back region’ in preference to the ‘front’, preferring to stumble across ‘the real thing’ in informal settings.42 Certainly, in the short term, there is evidence that in Dumfries and Galloway (‘More Music Live’, ‘Real Music Real Close’, 2003) and in Shetland (‘Simmerin Sessions’) the idea worked and significantly increased visitor numbers, and consequently raised participating pub and hotel takings.

Fears that such socially engineered commoditisation could never imitate the spontaneity necessary to achieve a worthwhile visitor experience have

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38 See http://www.reel-time.co.uk/corporate/index.html, accessed 12 August 2009, for an agency providing such entertainment.
40 Nancy Groce, ‘Scotland at the Smithsonian’, in 37th Annual Smithsonian Folklife Festival: Appalachia, Heritage and Harmony; Mali, from Timbuktu to Washington; Scotland at the Smithsonian (Washington DC, 2003), 69.
41 Lesley Stevenson, ‘Commodification and Authenticity in the Traditional Music and Tourism Initiative’, paper delivered at Developing Cultural Tourism conference, which was held at the University of Nottingham, December 2003.
generally proved ill-founded. Although a few of these ‘seeded’ sessions have been problematic in certain situations for participant musicians, whether hired or freely participating, the overall effect has been greatly beneficial in bringing local traditional music into the public arena and in encouraging greater involvement in its performance, such that many informal sessions have since become self-perpetuating and no longer need incentives to function.

Another initiative has been the ballad trail concept, which was pioneered in the Borders by the local tourist board in 2002 with limited success. This took the form of a tourist trail that drivers could follow in their own vehicles, but it was constrained somewhat artificially by political boundaries. According to Stevenson it failed because it was out of touch with practitioners and did not reflect living tradition. Far more successful have been the ballad bus outings organised by the Doric Festival and the Friends of the Elphinstone Institute in the North-East. These have been led and directed by singers themselves, and have involved a captive enthusiastic audience sharing a common experience in which location, provenance, cultural asset, and performance, have been brought together in a meaningful and relevant way.

‘Every Pub Should Have One’ (EPSHO) was part of a significant intervention led by the travel writer, Laudon Temple, in 2003. Disgusted by the poor quality and stereotypical choice of recorded Scottish music being relayed to visitors by ‘tourist’ pubs and hotels, he spearheaded, with the Greentrax record company, a special sampler CD, to which major Scottish folk artists, including Peatbog Fairies, Tony McManus, Fiddlers’ Bid, and Shooglenifty, contributed tracks. Several hundred of these were distributed free of charge to tourist destinations, who were encouraged to play the CD to their guests in preference to their established fare.

This effective reform of taste was combined with a further attempt to replicate the Irish experience. The ‘McEwan Sessions’ (2004–2007), sponsored by the

43 Compare David McCrone, Angela Morris, and Richard Kiely (eds), Scotland the Brand: The Making of Scottish Heritage (Edinburgh, 1999), 9.
46 Every Pub Should Have One, Greentrax, CD LTC001, 2004.
### Table 1: Comparative Data from Two Festivals – Celtic Connections and the North Atlantic Fiddle Convention

<table>
<thead>
<tr>
<th></th>
<th>Celtic Connections, Glasgow, 2009</th>
<th>North Atlantic Fiddle Convention, Aberdeen, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Events</td>
<td>300+</td>
<td>137</td>
</tr>
<tr>
<td>Number of Days</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>Attendances</td>
<td>92,022</td>
<td>13,471 (6,400 were onlookers for street performances)</td>
</tr>
<tr>
<td>Visitors</td>
<td>68,845</td>
<td>3,536 (excluding onlookers)</td>
</tr>
<tr>
<td>Net Market Spend</td>
<td>£3,588,887 (estimated)</td>
<td>not available</td>
</tr>
<tr>
<td>Quality of Festival (Very Good/Good)</td>
<td>85% (15% ‘don’t know’)</td>
<td>98%</td>
</tr>
</tbody>
</table>

#### Visitor Profile in percentages

<table>
<thead>
<tr>
<th>Place of Residence</th>
<th>Greater Glasgow</th>
<th>Other Scottish</th>
<th>Other UK</th>
<th>Overseas</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>63</td>
<td>29</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Aberdeen City &amp; Shire</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Scottish</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other UK</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>Female</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>43</td>
<td>57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Duration of Visit</td>
<td>Day Trippers</td>
<td>Stayed Overnight</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>81</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Under 25 yrs</td>
<td>25-64 yrs</td>
<td>Over 64 yrs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>80</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Under 25 yrs</td>
<td>25-59 yrs</td>
<td>Over 60 yrs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>19.3</td>
<td>63.1</td>
<td>17.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Day Trippers</td>
<td>Stayed Overnight</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>36.4</td>
<td>63.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
brewers, were launched in over a hundred of their pubs throughout Scotland to improve the visitor experience of Scottish music. As Stevenson notes, it is not unreasonable to compare Temple’s foray into the politics of representation with Walter Scott’s construction of a ‘borderland of minstrelsy’. In 2009, the Scottish Homecoming initiative is similarly sponsoring a series of over 300 traditional music pub sessions through the TMSA.

In this next section the focus will be directed towards data collected in connection with folk music festivals. Scotland’s largest festival of this kind is Celtic Connections which, when it was started in 1994, was an initiative of Glasgow City Council to attract audiences to the city at a comparatively quiet time of the year, the latter part of January. A summary of data is given in Table 1. It was gathered for this year’s festival by GGA, an independent agency, and it makes impressive reading. When we compare these results with those gathered for the 2006 NAFCo, audited by EventScotland, the profile is somewhat different. This was a comparatively smaller more specialist festival lasting five days that incorporated an academic conference.

Bearing in mind the different sizes of samples and their statistical reliability, we can make a few observations with some degree of confidence.

1. Aberdeen (City & Shire) is a much smaller population centre than Glasgow, hence the proportion of visitors from outwith the area was much higher—63% as opposed to 37%.
2. NAFCo was primarily an international event. Hence the proportion of international visitors was much higher—26.3% as opposed to just 4%.
3. Consequently the proportion of people needing accommodation was also much greater—63.6% as opposed to 19%.
4. The specialist nature of NAFCo tended to attract a higher proportion of young people than the more general festival—19.3% as opposed to 11%.
5. The data for the older age groups is not directly comparable but it does emphasise the importance of this sector of the audience which

51 Glasgow Grows Audiences (GGA), Celtic Connections 2009: Economic Impact, report (Glasgow, February 2009).
52 North Atlantic Fiddle Convention (NAFCo), 26–30 July 2006, organised by the Elphinstone Institute, University of Aberdeen, from reports submitted to the Scottish Arts Council and Aberdeen City Council.
represents about one fifth of the total in both cases.

6. Interestingly the Glasgow data indicates that it attracts significantly more women than men.

It should also be added that this data represents a summary and that both events collected a considerable amount of additional information.

In 2002 an independent study by Morris Hargreaves McIntyre examined data from forty folk festivals (six in depth) throughout the UK, out of an estimated total of 350.\textsuperscript{53} They estimated the total impact of all festivals at £77 million, which included ticket sales, travel, accommodation, food and drink, and other purchases. For our purposes, direct comparison is not possible with Celtic Connections or NAFCo because the published data is incomplete and presented in a different format (see Table 2).

Table 2 The Impact of Folk Festivals in the UK in 2002, based on data from 40 festivals (Association of Festival Organisers, 2004)

<table>
<thead>
<tr>
<th>Number of Festivals</th>
<th>350</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitors</td>
<td>350,000</td>
</tr>
<tr>
<td>Net Market Spend</td>
<td>£76,980,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Visitor Profile in percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 19 yrs</td>
</tr>
<tr>
<td>19 – 35 yrs</td>
</tr>
<tr>
<td>Over 35 yrs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Duration of Visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day Trippers</td>
</tr>
<tr>
<td>Stayed Overnight</td>
</tr>
</tbody>
</table>

example, under the heading ‘Folk festivals change people’:

– over 90% of visitors participate in dancing, singing, or playing a musical instrument;
– 60% of the visitors can play a musical instrument;
– 27% have the skills and confidence to play in public;
– 33% play for personal pleasure;

\textsuperscript{53} The study is summarised in two related reports: Association of Festival Organisers in association with the Arts Council of England, \textit{A Report into the Impact of Folk Festivals on Cultural Tourism}, report (Matlock, January 2003); idem, \textit{The Impact of Folk Festivals}, report (Matlock, March 2004).
– an additional 14% would like to learn to play.

Under the heading, ‘Festivals produce a sustainable return on investment’:
– 24% of visitors are trying a festival for the first time;
– 18% (three-quarters of these) will return;
– public/arts funding constitutes 10.6% of festival turnover of £19.9 million (representing 2.7% of the economic impact);
– sponsorship and trusts constitute 7.9% (representing 2.0% of the economic impact);
– non-ticket earnings amount to 7.7% (representing 2.0% of economic impact);
– ticket income is 74% (representing 19.1% of economic impact);
– festivals support the local economy.

In the section on audience development, under ‘Festivals are a gateway into folk’ and are ‘family friendly’:
– first time visitors report that they feel very welcome and find it easy to join in;
– festivals report a growth rate of 5.6%;
– 38% of festival goers have children;
– 32% regularly bring their children to festivals;
– festivals attract young people and women.

Another important conclusion is that festivals train, launch, and support artists and administrators.

Of course, not all traditional music festivals are well organised and appropriately managed, nor do they automatically achieve financial or artistic success. Moreover, in terms of the intangible cultural assets that they present, their influence is not always beneficial. As UNESCO has noted, festivals, because of their rigid formats, may lead to the distortion, abbreviation, and standardisation of certain cultural assets or practices.

Many traditions of music, dance, and theatre figure into cultural promotion as tourist attractions, included for example in the itineraries of tour operators. Although this may bring revenues to a country or community and offer a window onto its culture, it is not uncommon that such processes create new forms of presenting the performing arts that are abbreviated, losing certain elements important to the tradition, and may turn a traditional form into mere entertainment.  

Thus certain assets or practices may achieve success on the public stage, but at the expense of their integrity or meaning. Broadly speaking, tourism may contribute positively to the revitalisation of traditional culture, giving a market value to it, but the result may well be a transformation that is considered detrimental by its performers.

This point is taken up by the TMSA in their ‘Scottish Traditional Arts Declaration’,\(^55\) which takes the form of a petition addressed to the Scottish Government, the Scottish Parliament, and bodies such as the Scottish Arts Council, soon to be integrated into a new body—Creative Scotland. A further concern, voiced by the TMSA, is that in the relentless drive for quality and creativity, promoted by arts funding bodies, the gap between performance-led events featuring elite artists and the grass-roots activity of community music-making and singing is ever widening (see page 136).

The size of the stakes in the political argument to realise the benefits of traditional culture as an asset is apparent from a recent Scottish Government report, *Culture Delivers*,\(^56\) which places high expectations on the panacea of culture to rid society of the ills of community dysfunction and disaffection, and to meet economic and environmental challenges. For example, Clause 9 states:

> Cultural activities targeted at people at risk can provide diversionary activities and make a positive impact on the incidence of crime and ant-social behaviour.

> Cultural activity and learning build self esteem, can help people to articulate anxieties and aspirations, and promote dialogue and understanding across the generations.

While it may be reasonable to expect that the practice/performance of Scotland’s arts and culture, including its intangible cultural assets, may have a part to play in community regeneration, it seems a heavy burden to place at its door, especially as there is a funding imbalance between Scots and Gaelic culture, with Scots culture receiving less than a tenth of that awarded to Gaelic organisations and initiatives.\(^57\)

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We, the undersigned, maintain that:

– Scotland has one of the richest living traditions in Europe;
– the traditional arts of making music, singing, dancing, poetry and storytelling are an intrinsic and vital part of Scottish culture;
– all of Scotland’s indigenous languages and traditions are of equal importance and value;
– Scotland’s traditional arts and languages make an irreplaceable and distinctive contribution to world culture;
– the foundation of all traditional arts is the grassroots inclusive participation of the people of Scotland;
– the traditional arts give a unique perspective on Scotland’s political and social history;
– the traditional arts bind together communities in Scotland and the Scots Diaspora;
– Scotland’s traditional culture can and should be reinterpreted by each generation but that this must not result in discarding the past.
– Scotland’s cultural traditions can and should play a part in the economic and social regeneration of Scotland.

We therefore call on the Scottish Government and Parliament and all bodies sponsored and/or funded by them to ensure that:

– all the indigenous languages and traditions of Scotland are treated equally;
– funding for traditional arts is enshrined in all government arts policies;
– traditional arts are embedded in Scottish education at all levels;
– opportunities for taking part in traditional arts are actively encouraged;
– provision of spaces for traditional arts is supported;
– initiatives to make our traditional forms of expression accessible to all are supported;
– in the drive to make commercial use of the traditional arts, the traditions themselves are not distorted or lost;
– all of the traditions—not only the more commercial aspects—are valued and maintained;
– recognition is given to the irreplaceable contribution that volunteers supporting traditional arts in Scotland make to the economy.
Although in 2009 the country is in the grips of an economic recession, the achievement of the goals for the Year of Homecoming seem more attainable than the aspirations expressed in the Culture Delivers report. While it seems that international visitors from the Scottish diaspora may be fewer than were anticipated, home support has been strong. Several events foregrounding ICH and more specifically traditional music and song, including, of course, recognition of the national bard, have received much needed funding, either directly from EventScotland or via a local authority arts funding scheme or forum.

Undoubtedly Scotland’s traditional music and song are vitally important cultural, social, and economic assets, but in the endeavour to exploit them for national well-being, there is a danger that the lessons learnt from the past are being ignored. For example, the second folk song revival came unstuck when it lost touch with the grassroots which had nurtured it. This dichotomy has been interpreted as a fracture between the purist camp on the one hand and the eclectics on the other, complicated by a generational divide.\textsuperscript{58}

Throughout the discourse surrounding how ICH might be exploited successfully to the mutual benefits of all parties, we should acknowledge and utilise the expertise that has been accumulated through research at institutions of higher education, such as Glasgow, Aberdeen, and elsewhere, and in particular, the wealth of the Archives of the School of Scottish Studies at the department of Celtic and Scottish Studies at the University of Edinburgh, which will soon become widely available through the Tobar an Dualchais (‘Kist o Riches’) digitisation project, which is a partnership project with Sabhal Mòr Ostaig of the University of the Highlands and the Islands, the BBC, and the National Trust for Scotland.\textsuperscript{59} Intangible Cultural Heritage may seem to certain critics like the latest global buzzword, but this perception should not blind policy makers in Scotland to the hugely important benefits that are available from the resources of folklore, ethnomusicology, and ethnology, and the contributions they can make to our understanding of community and identity.

\begin{flushright}
University of Aberdeen
\end{flushright}

\textsuperscript{58} Michael Brocken, \textit{The British Folk Revival, 1944–2002} (Aldershot, 2003), 63–86.
\textsuperscript{59} See http://www.tobarandualchais.co.uk/, accessed 9 June 2009.
This paper explores how formal, publicly-funded culture, in the form of museums, engages with issues of identity in the city of Glasgow, through the prism of John O’Hagan’s taxonomy of wealth.¹ Like Barcelona and Bilbao, Baltimore and Melbourne, Glasgow is known for deploying cultural institutions and events to drive urban regeneration.² Some of these were explicitly designed to achieve economic spillover effects and to improve the attractiveness of the city to tourists and inward investors. The most notable of these was the city’s reign as European City of Culture in 1990, which is widely acknowledged as one of the most successful, in terms of rebranding the city as a significant tourist destination.³ However, 1990 was only a high point in a general trajectory which, at least in tourist terms, has been successful. In 2010 Glasgow was the third most visited tourist city in the UK (after London and Edinburgh). The publisher of the Lonely Planet guides named Glasgow as one of the top ten places in the world which tourists should visit in 2009.⁴

¹ See article in this issue.
³ For debates about the success of Glasgow’s year as City of Culture see: Peter Booth and Robin Boyle, ‘See Glasgow, see Culture’ in Franco Bianchini and Michael Parkinson (eds), Cultural Policy and Urban Regeneration, The West European Experience (Manchester, 1993); Beatriz Garcia, ‘Deconstructing the City of Culture: The long term cultural legacies of Glasgow 1990’, Urban Studies (2006); Gerry Mooney and Mike Danson, Beyond “Culture City”: Glasgow as a ‘dual city’ in Nick Jewson and Susanne Macgregor (eds), Transforming Cities, Contested Governance and New Spatial Divisions (London: 1997), 73–86.
Glasgow has undergone a major transformation and consistently invests more in culture per head of population than any other UK city. At the time of writing major projects which are due for completion in the next two years include Trongate 103, a £7 million visual arts centre housing nine different organizations in an 80,000 square foot building; a £6 million new headquarters for Scottish Ballet in Tramway (itself a legacy of 1990); and the second phase of Glasgow Museums Resource Centre, an £11 million museum store, with a unique level of public access (see below). The most spectacular and expensive current cultural project is the Riverside Museum, an £80 million iconic building designed by acclaimed architect Zaha Hadid, which is due to open in 2011. It will tell the story of travel and transport in the city and is thus a characteristically Glaswegian combination of international prestige with local identity and pride. While economic impacts are an essential part of the rationale for all these projects, they are not the only or even the most important form of value which motivates the city’s investment. This paper will explore the interaction of econometric rationales with those based on other forms of wealth.

What kind of a place is Glasgow? What are the local circumstances that shape cultural policy and practice? The city has a population of 600,000—the largest in Scotland. It is, and since the mid-eighteenth century has been, a city of extremes. Rapid industrialization made Glasgow one of the wealthiest cities in the British Empire. Its huge slums also earned it the title of Cancer of Empire. The wealthy merchants and industrialists of Victorian Glasgow created huge collections, which they gifted or bequeathed to their city’s museums, which were appropriately splendid buildings. The result is that Glasgow has the largest civic museum service in the UK, with the best collections of European Old Masters, arms and armour, decorative arts, French Impressionists and post-Impressionists and medieval tapestries and sculpture outside the national museums. It also has the best preserved Victorian urban architecture in the UK, and the buildings of now internationally-recognised Charles Rennie Mackintosh. The city spends £14 million a year on museums, which represents c. 0.7% of the total civic budget, £23 per head of population and about half of all local authority expenditure on museums in Scotland. Crucial in making this substantial investment sustainable in political terms is that (with one significant exception which is discussed below) museums are not seen as elitist—Glasgow has a rare, possibly unique, tradition in which museum

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5 Described on the cover of The Economist’s Intelligent Life magazine as ‘The First Great Female Architect’, Summer, 2008.
visiting is part of popular as well as high culture. The 600,000 residents of Glasgow make over 1.2 million museum visits a year; of these 40% are by people from C2DE groups.

While it may be implicit in O’Hagan’s taxonomy of culturally-generated wealth, it is worth making explicit what might be called the legacy value of Glasgow’s cultural infrastructure. While financing this heritage may be seen in part as a maintenance burden, sustained mainly by the political difficulty of closing down existing amenities, it must also appear in any assessment of the city’s assets. These assets then create options which other cities may not have, or may have to spend a lot more to acquire. In addition, legacy value in part addresses the issue of opportunity cost. Because of the immense and multiple values of museum buildings and collections, it would be difficult to get as much value from spending £14 million a year on other investments. Nor are the outcomes of alternative investments significantly more assured than those of culture, since activities ranging from education to business development are as much arts as sciences. Further, culture is an area which cities can not only influence but in which they can take direct action—unlike many areas of social and economic life. In an era of increased government centralization and ring-fencing of local authority allocations this is an important value—what might be called agency value. This, as much as any precise economic impact assessment, explains the decision to create the Riverside Museum—the existence of a strong museum infrastructure means that civic leaders understand the medium, and can deploy it to make a powerful statement of civic ambition.

Despite 30 years of investment in regeneration, Glasgow still has one of the largest concentrations of poor and unhealthy people in Western Europe. The life expectancy of men in the deprived parts of Glasgow is the same as in the West Bank in Palestine. A third of the population lives in poverty, with multi-generational unemployment, drugs, violence and other social problems, which have proven extremely resistant to state intervention. Part of the driving force of Glasgow Museum’s policy is an awareness of the need to make a direct contribution to the lives of all citizens, no matter what their circumstances, not assuming that museums’ input to regeneration would be through tourist revenue and trickle down economics. In O’Hagan’s terms, ‘concern for user interests’ and ‘value for money’ are major influences on museum policy. Both of these are also of importance not just in absolute terms, but also in terms

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6 For extensive analysis see the research published on the website of the Glasgow Centre for Population Health, www.gcph.co.uk.
of the opportunity cost in relation to other aspects of the city which require civic investment—education for example.

**Culture—Some Definitions**

Glasgow Museums do not have an essentialist or exclusivist view of the definition of culture or the kinds of wealth it generates, but work with all of the following:

1. The patterned way of life of a people, everything that is externalised from inside people’s heads—language, processes, artefacts and so on.
2. High Culture, the canon of elite forms, built on those inherited from the European aristocracy as a result of the bourgeois revolution of the nineteenth century.
3. Popular culture, either folk and traditional or mass produced and distributed through the market. Derided by High Culture exponents of both left and right as commodified soma designed to create a quiescent public, Glasgow Museums see it as a legitimate form of expression in which we celebrate the best.
4. Culture as meaning-making, the resources through which we make sense of life and death, love and loyalty, individuality and belonging, work and family, and the relationship of people to place and history.

Each of these definitions reflects a different dimension of identity, how specific communities develop ways of dealing with local circumstances and with the universals of the human condition. While museum policy recognises the importance of economic drivers and of value for money, many of the kinds of wealth embedded in these definitions are not readily—or meaningfully—converted into economic currencies.

**The Burrell Collection**

The first major modern, conscious, deployment of culture (and specifically, High Culture) to promote regeneration was the opening of the Burrell Collection in 1983, nearly 40 years after Sir William and Lady Burrell gifted their collection to the City. The literature on museums and regeneration almost
without exception focuses on the Guggenheim in Bilbao as the exemplar, and it is certainly the highest profile example. However Bilbao’s decision to build the Guggenheim was made after studying Glasgow and the Burrell Collection.\footnote{See Gomez, ‘Reflective Images’.} Lacking historical cultural assets Bilbao could capitalize on, they bought in to the Guggenheim franchise. Even though the Burrell Collection thus has deep local roots, it does not partake of the local tradition of museum visiting. It has the highest percentage of tourists of any of the city’s museums—it is the one museum overseas visitors have heard of. And of the 30% of visitors who are local, the vast majority are well-off and well-educated. It thus conforms to the model of the art museum analyzed by Bourdieu, its style of presentation requiring considerable cultural capital for visitors not just to make sense of the objects, but to feel welcome or at home.\footnote{Pierre Bourdieu and Alain Darbel, \textit{The Love of Art}, trans Caroline Beattie and Nick Merriman (Paris, 1968; London, 1991).} It thus represents a value omitted from O’Hagan’s taxonomy—the legitimation and reproduction of the identity of an elite social group.\footnote{Carol Duncan, \textit{Civilizing Rituals; inside public art museums} (New York, 1995).}

This links to questions about the capacity of cultural institutions to represent the unitary identity of complex societies. Social and political, as opposed to economic, elites are frequently content to have their national or civic identity represented by high status institutions—even if their members have no interest in culture \textit{per se}. The most prestigious cultural institutions are not those which represent internal diversity, or distinctive indigenous culture, but those which partake of the highest status international culture in the form of masterpieces of fine art, or opera, ballet or classical music.\footnote{See for example, Brandon Taylor Art for the Nation (Manchester 1999).} And some non-elite, non-users are also willing to accept the ‘existence value’ of these cultural institutions, reflecting national pride rather than national identity. Perhaps part of the answer to the question of how much tax revenue should be spent on culture is the political limit on what a government can spend on ‘public’ institutions whose benefits are enjoyed almost exclusively by an elite minority and which partake of a communal form of conspicuous consumption. While the better-off and better-educated in general benefit disproportionately from all publicly funded amenities, it becomes politically unacceptable when this reaches a degree when it is seen as a flagrant form of rent seeking.
The Gallery of Modern Art

Glasgow opened its Gallery of Modern Art in 1996, consciously intending to enlist the prestige of contemporary art to enhance the reputation of the city (and intentionally choosing not, for example, to create an industrial museum which would have been seen as backward looking, and, therefore, not encouraging people to adapt to the city’s new economic circumstances). In its first phase (1996–c1998) it was programmed by Julian Spalding, then director of Glasgow Museums, whose conservative populist taste explicitly rejected ‘experimental and innovative work’, despite the fact that Glasgow-based artists had an international reputation and had, for example, a unique success rate in the Turner Prize. After Spalding’s departure GOMA set about redefining its identity, seeking to show locally based and international artists of high quality, while retaining large audiences. In addition, GOMA developed a vision of the role of a contemporary art gallery which reflected the cultural aspirations and social realities of the city. This revolves around its biennial exhibition on themes related to Contemporary Art and Human Rights:

2003 Seeking Freedom, on the subject of asylum seekers
2005 Rule of Thumb, on the subject of violence against women
2007 Sectarianism, on the Catholic-Protestant divide in Glasgow
2009 sh(OUT) on Lesbian, Gay, Bisexual, Intersex and Transgender art and artists

Each of these combined an exhibition of work by artists with an international reputation and a city-wide programme of engagement. For ‘Rule of Thumb’ the main show was by American feminist artist Barbara Kruger. The outreach programme was called Elbow Room and involved women who had been victims of violence, and/or had drug problems, and/or were involved in prostitution, making artwork with a member of staff and two other artists. This was the first ever ‘community art’ exhibition we had mounted which was reviewed by a broadsheet newspaper art critic, who said it was ‘unmissable’ and ‘worthy of the Turner Prize’. He had ‘never seen a better interpretation of the despair,

12 The title refers to the tradition by which it was legal for a man to beat his wife with a stick no thicker than his thumb.
tragedy and helpless plight of the abused woman’. This was a breakthrough, showing that a museum could engage with the most marginalised people in society and simultaneously achieve the highest standards of artistic excellence. In terms of O’Hagan’s argument, the Contemporary Art and Human Rights programme represents an attempt to reconcile the values of art as conferring prestige, as an expression of identity and as providing a critique of society. Its symbolism is that the city values serious (rather than shocking or sensational) contemporary art and that it is prepared not just to accept but to host in its most high status city centre space, the honest responses of artists of international standing to the difficult aspects of city life.

The People’s Palace

The People’s Palace is Glasgow’s local history museum. Founded in 1898 as what we would now think of as a cultural centre in one of most industrialized parts of the city, it became a social history museum in the 1980s. The museum was the centre of considerable controversy during 1990, when it was seen as an emblem of authentic working class culture which had been sold out by the European City of Culture project. The left-wing position had however been seriously damaged by far greater forces the year before with the collapse of the Berlin Wall, and the City Council was determined not to be held back by what they saw as a hankering for a communal culture which depended on an industrial economy which no longer existed. 1990 was followed by a period of exhaustion and loss of direction and it took some years to raise the funds to redisplay the People’s Palace, in two phases between 1995 and 1998. The main gallery represents the competing Visions of the City which have shaped it over the past 200 years. These are the Capitalist, Socialist and Civic visions, which are displayed together in one gallery. Above these displays is a cycle of history paintings by Ken Currie, reflecting the labour history of the city. Given the rapid and dramatic change in Glasgow in the past thirty years, it is often visited by people seeking the solace of nostalgia – lots of visits are made by grandparents with their grandchildren. However, for neither tourists or locals does the museum airbrush the city’s dark side; there are displays on crime, the

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abuse of alcohol and on poverty, historic and contemporary. The museum is not a civic promotion, but an attempt at a rigorous history. Or rather it is a civic promotion—of a city which seeks to create institutions which reflect its multiple histories and negative realities as well as celebrating its positive cultures and achievements.

**Glasgow Museums Resource Centre (GMRC)**

The ‘option demand for future generations’ is a powerful reality for museums, not least in terms of gifts and bequests, through which donors (such as Sir William Burrell) seek a form of secular immortality. This applies especially in the vast proportion (over 95%) of the collection which is not displayed. Between 2001 and 2009 Glasgow has invested £18.4 million on improved storage for its reserve collection. The balance of benefit between current and future generations was shifted, however, by a radical innovation in access—GMRC is open to the general public 361 days a year. When the second phase opens in late October 2009, 30,000 visits a year are expected, half of from schoolchildren. As the embodiment of the future, children also bridge the gap between present taxpayers and ‘option demand for future generations’. Glasgow has invested hugely in museum education and outreach with a team of nearly 50 staff, the largest in the UK.

**The St Mungo Museum of Religious Life and Art**

The objective of this museum, which opened in 1993, is stated in the foyer: ‘Our aim is to promote mutual understanding and mutual respect amongst people of all faiths and none’. It has three long-term exhibits, one of religious art, one relating to religion and everyday life and another about religion in Scotland, along with a temporary exhibition gallery and an education space. Over 120 different faiths are represented, spread across 5,000 years of human history. The texts express external (curatorial) and internal (believer) perspectives. The majority of the exhibits are celebratory of the human search for meaning, though the destructive power of religion is acknowledged in a few, key, examples. These include references to the links between religion and war, religious persecution, sectarian conflict in Northern Ireland, the Holocaust and female genital mutilation in Africa. For the museum to function it had
to accept that not all heritages are positive, nor all identities worthy of equal respect. The basic values by which the museum navigates these controversial and difficult territories is the International Declaration of Human Rights, and the way these are reflected in the City’s various equality policies.

In economic terms this museum was designed as an international quality tourist attraction to solve the problem of a new building adjacent to the medieval cathedral which had run out of funds prior to completion. The solution reflects the matrix of forces at play in museum policy formation in the city. The museum was able to draw on its legacy collection to achieve the required aesthetic and historic quality—50% of the 200,000 annual visits are made by tourists. This is combined with representations of the internal diversity of the city’s many religions and some of the more difficult realities inherent in the subject matter. At a deeper level St Mungo’s explicitly embodies a form of wealth which is present implicitly in the other museums described in this paper. They provide cultural resources which visitors can use to explore profound existential issues in a unique way. The quasi-ritual of museum visiting provides opportunities for contact with powerful aesthetic and historical real objects in atmospheric spaces, in the presence of strangers, in complete safety, either alone or with friends, spouse, parents or children. They fulfill a need in a secular, pluralist, society with few collective rituals.15 No other medium replicates this combination of rich meaning embedded in material objects, a lack of generational segregation and the option for solitary or sociable attendance.16 The fact that large numbers of people visit museums all over the world suggests that they represent a kind of good which underlies most of the kinds of wealth identified by O’Hagan. They provide resources which speak to the deep human need to create meaning in the face of mortality, to explore individual and collective identity, to generate new meanings in response to puzzling and painful social changes, and perhaps above all to create enduring institutions which gather what is of value from the past and promise to preserve it into an enduring future.17 The combination of legacy value with option demand for future generations, generating continuity from past to future, is thus, in part, a response to mortality. It is precisely to reflect this meaning-generating quality

15 Jem Fraser, ‘Museums—drama, ritual and power’, in Simon Knell et al. (eds), Museum Revolutions (Abingdon, 2007).
16 The social/solitary options, combined with the personal experience in the presence of strangers means that museums generate a hybrid of private and non-private wealth.
that museums are institutionalized outside the market, even in the most free-market economies, such as that of the United States. While museums are embedded in markets, to subject them completely to the market would destroy their functionality, which is precisely to create non-market wealth. Eternity is a long time, even in economics.

**Kelvingrove Art Gallery and Museum**

The redisplay of Kelvingrove Art Gallery and Museum, as part of a £30 million Heritage Lottery funded project, brought together many of the lessons of these museum developments. Opened in 1901, Kelvingrove has long been the most popular museum in Britain outside London, averaging a million visits a year in the 1980s and 1990s. About a third of its visitors are from Glasgow, 40% from elsewhere in Scotland and the remaining 30% are UK or overseas tourists. Renewing the encyclopedic displays in Kelvingrove’s 22 galleries highlighted the challenge of representing the world of art, history and natural history to twenty-first century audiences. The shift in understanding was from Victorian ideas of being cultured and of the mind as a passive *tabula rasa* to a sociological and psychological understanding of people as diverse and active agents in learning and in negotiating their identities. There is a strong continuity however with the Victorian ideals of public education—and of social renewal, though with a deep awareness of how resistant to social engineering long-term social problems really are. In the first year after reopening in 2006, Kelvingrove had 3.2 million visits, making it the fourteenth most visited museum in the world, ahead of *mOMA* in New York and the Uffizi in Florence. More than 50% of the Glasgow’s population made an average of four visits in that first year. 42% of these came from C2DE social groups. In tourist terms Kelvingrove surpassed Edinburgh Castle as the most visited tourist attraction in Scotland, a position which it has retained.

In general the critical response was extremely positive, from both the professional and broadsheet press. For example *The Observer’s* was not the most positive review, but the one which best captured the spirit of the

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18 Even though few museums in America are state funded the vast majority gain substantial tax benefits by being charities and only a tiny proportion charge entrance fees which meet the real economic costs of running them.

redisplay. Kelvingrove is ‘not so much a museum of culture as of life itself, Kelvingrove is almost unique: part National Gallery, part V&A, part British Museum and Tate—all in one building’. However, The Burlington Magazine (which describes itself as ‘the world’s leading monthly publication devoted to the fine and decorative arts’) complained that ‘Kelvingrove appeals … to the lowest common denominator’. It is noteworthy that this criticises not just the quality of the displays but the quality of the audience. In other words the semiotics of the redisplay failed to communicate that the collections were reserved for the cultural elite. This is further evidence of the importance of taking class identity value into account in reviewing the kinds of wealth generated by museums.

The above account of museums policy in Glasgow can be seen as a series of working hypotheses about the kinds of wealth generated by these institutions, set in the city’s specific cultural, social and historical context. Museums in Glasgow are embedded in local culture, in all four senses defined above—anthropological, high culture, popular culture and culture as meaning-making. By refusing to recognize artificial barriers between these definitions they seek to realize all the forms of ‘wealth’ identified by O’Hagan. They try to provide locals and tourists alike with high quality, accessible cultural resources to explore their own and others’ heritage and identities. Rather that seeing tourists merely as cash cows, the displays see them as united with locals in the search for meaning-making activities (tourism is as much a strategy of death defiance as any other cultural elaboration). Glasgow Museums acknowledge that organised culture is an active agent in producing and reproducing the power structures of society. This means accepting responsibility for validating some identities and heritages and challenging others—on the basis of civic values and human rights.

While there are important economic dimensions to museums which, historically, emerged as characteristic institutions of capitalist societies, even the broader definitions of wealth adapted by O’Hagan’s survey literature, do not capture the motivations of visitors. For museums to express national or civic prestige, to generate economic externalities by attracting tourists or to promote social cohesion or particular kinds of valued identity, the experience they provide has to have a richness of meaning which motivates people to

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engage. These meanings have, by definition, to transcend the market and the present generation in a way which is only guaranteed by state funding (or state authorization as a charity). The primary evidence that Glasgow’s museum policy is more than a simple assertion that museums create extensive ‘non-private wealth’, that there is some validity to the hypotheses, is the large numbers of people (local and tourists) who visit museums and who vote for politicians who agree to fund them. On the unfortunately rare occasions when visitor experiences are explored in any depth, evidence supporting these hypotheses does emerge. Sandell in particular uses ethnographic methodologies to explore visitors’ reactions to St Mungo’s (comparing them with reactions to the Anne Frank House in Amsterdam). The hypotheses may also help explain the unusually large range of museum provision in Glasgow, as a function of the historic legacy combined with an unusually broad scale of economic extremes. Economic wealth made possible the great collections and museum buildings, while the great inequalities created a proportionately greater need for institutions which try to generate meaning and which aspire (even if they don’t completely succeed) to create a civic public space which is genuinely inclusive. For this inclusivity (even if it were symbolic rather than real) to carry conviction, museums cannot charge the full economic cost of entry and so require public funding.

To summarise, museums in Glasgow can be seen as trans-generational institutions which have complex internal and external functions based on their provision of powerful resources which stimulate and nourish people’s meaning-making capacities. For citizens, they provide rich cultural experiences: for exploring local and world identities; for confronting the difficulties of existence both universal and local; and for expressing a sense of their city as a cultured, honest place which both participates in international high and popular culture and produces its own versions of significant quality. Externally, they communicate this identity to the world, attracting tourists and inward investment and, above all, asserting the existence of Glasgow and its right to define itself, its own meaning. While this meaning is not unitary or without conflict, and is to a degree, very consciously, commodified in response to global economic forces, its main directions and content are decided locally and reflect local realities and aspirations. If Thomas Szaz was right when he

said that ‘In the animal kingdom, the rule is, eat or be eaten: in the human kingdom, define or be defined’, agency value in the domain of meaning is the key source of many of the other kinds of wealth which museums generate.24

Glasgow City Council

At the recent celebration of Seamus Heaney’s seventieth birthday, in the Pavilian Theatre, Dun Laoghaire (held on 28 March, 2009) the poet himself adverted to our current economic distresses here in Ireland and in the world in general. He remarked how he had over the years used the term ‘crediting poetry’ to refer to the way in which his own art-form was a human necessity. He also noted that the phrase can also be taken to imply that poetry is a form of wealth that rarely finds a place on the kinds of balance sheets that are employed to determine state and commercial policy. Crediting Poetry was of course the title of his Nobel Prize acceptance speech in 1995. This set me thinking on the way, in an era in which dodgy accounting practices have been exposed at the heart of the marketplace here and abroad, whether proper accounts might be presented to show how the cultural wealth a society accrues from its writers, artists and thinkers affect the national balance sheet. The task would certainly be a daunting one for the auditors and would involve complex systems of record whereby the outcomes of state and private investment in the arts and culture sphere would be carefully tracked so that assessments of profit and loss in terms of attendances, job-creation, tourism figures, spin-off products, social capital, and so on could all be figured into a final holistic statement. One thinks that this would be an even more difficult task than, for example, assessing the full economic and social capital value that a university accrues for a town, a city, a region and a country, another area of human activity that in my view is never properly accounted for when annual educational budgets are discussed and accounts presented (and that these forms of wealth are perceived as very real is evidenced by the current concern of the good citizens of a city like Waterford that they should have their own university).  

1 It is, I think, well worth noting that among the various Irish institutions that have been shown to possess feet of clay in recent years (local government, the Catholic Church, the banks and their regulatory authorities), the universities have retained a reputation for integrity and have suffered no scandals of the order that have destroyed reputations in other areas of Irish life. They remain among the most successful of Irish institutions.
I am conscious of course that John O’Hagan, as long ago as 1987, was co-author with Christopher Duffy of a Report Commissioned by the Arts Council of Ireland, entitled *The Performing Arts and the Public Purse: an Economic Analysis*, which made a case on economic grounds for public investment in arts activity in Ireland. So, naturally, I turned back to it, when thinking on this issue. There I noted, first, that the focus was strictly on the performing arts (and even then they themselves acknowledged that within their remit their focus was somewhat narrow, skimping as they did the contributions of dance, music and opera) and, second, that they stated: ‘the economics of the visual arts, literature, film, and other art forms raises very different issues and questions’.² It would have been interesting to know in what way these other arts activities raised questions different to those that they themselves in fact posed in their book in relation to the performing arts, which were, why ‘in any market-orientated economy . . . taxpayers who do not partake of the performing arts should be required to provide funds for them’, and what are ‘the ways in which the performing arts can be, and are, funded from the public purse’.³ Nonetheless, within the limits of their brief and focus, their book did make a convincing argument to the first of their questions as to why tax payer’s money should go to support the performing arts. Now, in a period when tax is required to make good the failed wagers of privately owned financial institutions, this question ought to be easier of answer, but I suspect it won’t be. However one is heartened to note the Arts Council Director, Mary Cloake, as reported in the *Irish Times* (22 April 2009), stating, ‘Such is Ireland’s international standing in the arts that the sector is akin to a natural resource’, something to be proud of ‘in contrast to our reputation perhaps with banking’.

Working as they do within the model of the ‘market-orientated economy’, O’Hagan and Duffy addressed how support for the performing arts can be justified while sustaining the principle of ‘sovereignty of the consumer’⁴ (itself a concept we may want to challenge, but let that be for the purposes of this argument). Their answer involves careful distinctions between ‘private benefits which accrue from an activity’ and certain ‘goods and services’ which if they ‘also produce significant social or collective benefits’ will be ‘unaccounted for by the market mechanism’.⁵ It is in the area of ‘collective benefits’ that the

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³ Ibid.
⁴ Ibid., 11.
⁵ Ibid.
authors find good reasons for tax-payer support of performing arts activities. However they caution: ‘While the nature of the collective benefits resulting from the performing arts will be outlined, the magnitude of such benefits both in absolute terms and in relation to private benefits must remain a matter of conjecture’.6 All of which is to reinforce my observation that a proper accounting of the contribution of the arts and culture to the wealth of a nation is, to use a formulation deployed by the poet W.B. Yeats, ‘of all things not impossible the most difficult’. And that is before one takes on board O’Hagan and Duffy’s admission that the economic approach, which in their understanding of the matter means a ‘market-orientated’ approach, can only ‘provide a systematic framework within which the debate can take place, but it cannot decide on matters that are ultimately issues of value and political judgement’.

Among the broad categories of ‘collective benefits resulting from the performing arts’, the authors list two which will concern me here: ‘national feeling’ and ‘identity and self-criticism’.8 Considering how drama and literature can be credited in a proper accounting of the wealth of the nation, a good deal of ‘conjecture’ (a term which recurs in their book) will be involved. And it must also be noted that O’Hagan and Duffy do not rest their case for public support of the performing arts solely on the possibility of ‘collective benefit’; that only has force in combination with other demonstrable economic goods.

Conjecture is often easier at a distance, so it may be wise to attempt to assess the collective benefits which can be said to accrue to the Irish nation from literature and drama by reflecting, in what must be broad terms, on the late nineteenth- and early-twentieth century enterprise known in the literary histories as the Irish Literary Revival, which combined the performing art of drama with literature and in the Abbey Theatre company was in 1925 the first recipient in the English-speaking world of state support for dramatic activity. In seeking to assess its impact in terms of collective benefit, we can, at our vantage point about a century later, think of how it affected its contemporaries and the legacy it left. And in pondering those matters we may be well-placed to consider how more recent literary and dramatic production has augmented the wealth of the nation as a ‘collective benefit’.

From the outset the writers and intellectuals who in the 1890s set themselves the task of reviving literature and drama were clear that their

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6 Ibid., 12
7 Ibid.
8 Ibid.
endeavour bore on the issue of national identity and national reputation. The famous prospectus drawn up by Yeats, Lady Gregory and Edward Martyn for establishment of an Irish Literary Theatre is both a foundational and representative moment in the history of the Revival. They wrote, in its interesting draft form given in Roy Foster’s biography of Yeats, that their joint enterprise aspired ‘to bring upon the stage the deeper thoughts & [passions] emotions of Ireland’ and in so doing would ‘show that Ireland is not the locus natura] home of buffoonery and of easy sentiment, as it has been represented, but the home of an ancient idealism, and we are confident of the support of all Irish people, who are weary of misrepresentation’.9 As is well known, that universal support was not forthcoming, since from their opening session in 1899 when Yeats’s own play *The Countess Cathleen* was attacked on religious grounds that disguised nationalist objections to its portrayal of the Irish peasantry, to the riotous reception afforded John Synge’s masterpiece, *The Playboy of the Western World*, in 1907, the Irish Literary Theatre and the Abbey Theatre company that succeeded it, met with opprobrium from a significant section of Irish national opinion. What, however, cannot be gainsaid is that Yeats and his confederates did manage to put the issue of representation firmly on the agenda of contemporary debate in a period when the identity of the Irish people was a hotly contested issue. Who indeed were the Irish, what was their national identity, were questions to which the Irish Literary Revival and the Abbey theatre gave distinctive challenging answers in a period when the modern Irish separatist movement was in process of formation. And some of the answers that were implied in what was essentially a Yeatsian project, with its vision of what we would now term creative hybridity and post-colonial writing back against empire, provoked in some contemporaries an altogether more narrowly nativist version of Irish identity that found its most vigorous expression in what became known as the Irish Ireland movement. In all of this what is indisputable is that artistic production was a mode of cultural politics in the early twentieth century in this country, in which politics were inscribed matters of contemporary moment. The arts mattered, as they partook in formative national debate. They were crucial to the nation’s intellectual and imaginative wealth, part of its knowledge economy (of course, in current usage that term is often used to narrow the meanings of ‘knowledge’).

In some ways Yeats and his closest colleagues could be said to have lost the national debate. When the poet received his Nobel prize for literature at the

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end of 1923, with the shots of the recently ended civil war still ringing in his ears, his acceptance speech seemed to acknowledge that defeat. Claiming that his own work as poet and dramatist and that of the theatre movement he had helped to found, were part of the general quickening of cultural life that filled the vacuum left in the political sphere after the death of Parnell in 1891, Yeats nonetheless felt driven to admit: ‘It seemed that the ancient world lay all about us with its freedom of imagination, its delight in good stories, in man’s force and woman’s beauty, and that all we had to do was to make the town think as the country felt; yet we soon discovered that the town would only think town thoughts’.10

In the early decades of Irish independence the country continued to think town thoughts, inasmuch as an essentially petit-bourgeois society, with its values rooted in the country town rather than the capital or the imaginary pristine countryside, based its sense of national identity on the Irish Ireland vision of a Catholic and Gaelic nation coming into its rightful inheritance. Yet its nativist ideology could not ignore the way in which the Literary Revival had bequeathed to the new state a set of symbols of the heroic past which could help affirm the collective grandeur of the project of nation building. In 1935 Oliver Sheppard’s statue of Cuchulain (a hero of Yeatsian revivalism) could be placed in the General Post Office in Dublin to general acceptance that this was an appropriate expression of Irish self-sacrifice. And a sculpture in the Garden of Remembrance in Parnell Square as late as the 1970s could draw on the imagery of the legend of the Children of Lir to suggest national escape from an ancient curse. Furthermore the major imaginative investment made by the Revival in the idea of Irish civilization as essentially rural, at its most compelling in the poetry of Yeats, was part of the invention of an Ireland of the mind that retains imaginative purchase at home and abroad even to this day. To state the matter crudely, the enterprise helped in the marketable branding of the country for the purposes of tourism and inward investment. Where Thomas Moore in the nineteenth century had made Erin the land of song with a tear in the eye, Yeats in the twentieth had made it a spiritual home of poetry. One heard an echo of this last week when The Los Angeles Times editorialised on the Heaney birthday celebrations: ‘The Irish, of course, take their poets more seriously than most’.

More significantly in Ireland Yeats’s legacy to his country has been verbal, with phrases and formulations going into the language: ‘the greasy till’ offers a

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metonym of commercial corruption that betrays the ‘terrible beauty’ of self-immolating patriotism. At the early stages of the peace process that led to the Good Friday Agreement, Taoiseach Albert Reynolds could elevate a glacial negotiating pace to a spiritual progression by advising ‘peace comes dropping slow’ (quoting, somewhat out of context, it must be said, Yeats’s most famous lyric, ‘The Lake Isle of Innisfree’). ‘Things fall apart; the centre cannot hold’ (‘The Second Coming’) in Ireland as elsewhere is all too depressingly quotable as the current crisis unfolds. And this sense that the poet and writer can put words on national sentiment, and is somehow the conscience of the tribe, is probably the most significant legacy in present-day Ireland of a period in Irish history when it was not absurd for Yeats to ask (in his poem ‘The Man and the Echo’), ‘Did that play of mine send out/ Certain men the English shot?’

All of this can properly be credited to Yeats and his movement in the national accounts. And this before we ponder how great writers like Yeats, Joyce, Beckett take their bearings on what it means to be human through their soundings of Irish reality.

In his Nobel Lecture in Stockholm in 1995 Seamus Heaney expressed himself conscious that Yeats in 1923 had chosen to speak not of himself but of the Irish Dramatic Movement as a collective venture that affected the course of Irish political and cultural history. He came, Heaney reminded his listeners, ‘to tell the world that the local work of poets and dramatists had been as important to the transformation of his native place as the ambushes of guerilla armies’.11 With reference to that act of solidarity with his artistic confederates Heaney invited his audience, and by extension his readers, ‘to do what Yeats asked his audience to do and think of the achievement of Irish poets and dramatists and novelists over the past forty years’.12 In speaking thus he seemed to be indicating that the period from 1955 until 1995 constituted a distinctive phase in Irish history, in the way the period 1890 until the foundation of the Free State had done. He was challenging us to consider how poets, dramatists and novelists had contributed to that period as Yeats and his fellow artists had done so munificently to theirs.

That comprehensive critical task remains to be done. However Heaney’s lecture offers a hint as to how it might be started. In suggesting that the Irish Dramatic Movement was a contributing factor in the ‘transformation’ of Ireland, Heaney implicitly poses the question whether that term is appropriate to the period he identifies (1955–95). It certainly has seen changes that might

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12 Ibid., 427.
seem to warrant the word, but perhaps not in the near revolutionary sense it seems to bear in the years 1912–22. The fact that key works in the period, at least since the 1960s, have had transition as a major preoccupation (with Brian Friel providing some of the defining texts from *Philadelphia Here I Come* to *Dancing at Lughnasa*) leads one to suspect that a role in identifying the nature of transition and in negotiating it may be salient to how the arts have contributed to national life since at least the 1960s – works like Tom Murphy’s *Bailegangaire* (1985), John McGherhern’s *Amongst Women* (1990), spring instantly to mind. And when one allows the term purchase in one’s mind one realizes how it provides a way of engaging with Heaney’s own oeuvre, which has so signally contributed to the literature of the period. For Heaney’s work registers, explores and affirms a transition in national life whereby a people who understand the historical justifications for political violence, nonetheless, and without repudiating past sacrifices, proceeds to a new national self-understanding in which peace-making has its own dignity. To have been a force for that public good is an immeasurable contribution to the wealth of the nation. A collective benefit indeed.

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