During the period 1932-1945, which did Éamon de Valera manage better, the economy or Anglo-Irish relations? Argue your case, referring to both.

A wave of public opinion about the Irish Free State’s relationship with Britain and a well-organised campaign saw Éamon de Valera and Fianna Fáil claim a significant majority in Dáil Éireann. They would not leave power until the formation of the First Inter-Party government in 1948. This period was a turbulent and significant time for Anglo-Irish relations and FF also had to deal with a number of economic problems. De Valera enjoyed a variety of success in his handling of these issues but it’s clear he fared better on the foreign front.

De Valera and FF campaigned on the promise of dismantling the Anglo-Irish Treaty. The 1931 Statute of Westminster allowed dominions to repeal old laws but WT Cosgrave and Cumann na nGaedheal had refused to do so. Within weeks of taking office, de Valera informed the British the “unbearable burden on the people” that was the Oath of Allegiance. The Removal of Oath Act passed on April 20th 1932 did so. The Crown’s representative, the Governor General was also soon removed after some clever manoeuvring by de Valera. He reminded the Prime Minister of his duty to take his cabinet’s advice which in this case was to remove the sitting Governor General, James MacNeill, from office. He was duly replaced by a FF choice who delegitimised the role and it was soon abolished. De Valera had quickly fulfilled his promise of dismantling the Treaty and this was clearly a success.

De Valera’s actions in the economy, however, were not as effective. Understandably, due to its importance to our economy, FF focused heavily on agriculture upon taking office. They advocated a return to tillage farming which would require more manpower and thus increase employment and incentivised the move through subsidies. However, these measures were largely unsuccessful and there was no increase in tillage output. Moreover, the agricultural sector performed very poorly during this time. The value of agricultural output in 1935 was 40% below its 1929 level. Though this may have been due to the global economic depression, some of the blame must also lie with De Valera and his government for their ineffective policy.
For much of the 1930’s, the economy and Anglo-Irish relations were dominated by a single issue, The Economic War. Land annuities to the British government agreed to by Cosgrave in 1926 were highly controversial and De Valera declared before the 1932 election he would withhold payments if he came to power. In July of that year, he announced he would not be paying the annuities for the first half of that year. The British imposed a 20% customs duty on Irish imports and later increased this further. De Valera replied with similar penalties. The Economic War had a devastating effect on the Irish economy. Farm owners and labourers suffered in particularly due to falling demand and prices while taxes were raised to pay for subsidies. Living standards and wage levels fell across the board. Although the Economic War had a positive ending in terms of a nationalist approach to Anglo-Irish relations, we have to recognise the effect it had on the economy. This is further evidence of de Valera’s struggles in handling economic issues.

The Economic War came to an end in April 1938 with the signing of the Anglo-Irish Agreement. This was a significant and positive development in Anglo-Irish relations. The financial side of the agreement saw the payment of land annuities end with a one-off £10 million payment and the lifting of all trade tariffs. The defence agreement saw the so called Treaty Ports of Lough Swilly, Berehaven and Cobh returned to Irish control. These had been the last vestiges of British influence in Ireland since the signing of the Anglo-Irish Treaty in December 1921. This was a victory for de Valera but did arrive after the negative consequences of the Economic War had wreaked havoc on the economy.

The next success for de Valera as regards Anglo-Irish relations saw him further distance Ireland from Britain. A constitutional crisis in Britain that emerged when King Edward VII tried to get a divorce allowed de Valera to strike. The Constitutional Amendment Act of 1936 deleted all mention of the King and his representative from the constitution. The External Relations Bill later that year then reduced the role of the King declared Ireland was only associated with the commonwealth rather than being a member. These actions paved way for de Valera to write a new constitution in 1937 that increased the divide between the two countries further still. This was clearly another successful move on the foreign front by de Valera.

Although he did often struggle to manage the economy effectively, this was not always the case for de Valera and he passed unquestionably the toughest test in this regard. The outbreak of WW2 in September in 1939 saw him quickly declare an Emergency. Rationing was controlled by Seán Lemass and was largely successful but inflation was high due to higher taxes. However, de Valera’s decision not to assign significant funds to defence proved both
crucial and highly successful. Where other neutrals spent 20% of their budgets on defence, de Valera gave just 2%. This allowed the economy to recover very quickly after the war. The Emergency was arguably his most effective policy as regards the economy.

One of the reasons Éamon de Valera enjoyed such longevity in politics was his ability to understand what was important to the Irish people. During the inter-war years, this was clearly Anglo-Irish relations while during WW2, it was the economy and society. And so while we must recognise he did suffer setbacks in the economy before the war, it could be argued this was due to a lack of importance. However, what is inarguable is that during the period 1932-45, he handled Anglo-Irish relations far better than the economy.