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The Irish Question: Part I

As the United Kingdom continues on its path to withdraw from the European Union, a key element that needs to be considered is the border issue in Ireland. The Northern Ireland/Ireland frontier is the only border that would be directly affected by Brexit. The rest of the U.K. is an island, although border checks would be required at the Chunnel and at U.K. ports. However, the Irish border has broader geopolitical implications beyond just a border issue.

In Part I of this report, we will begin by introducing the importance of Ireland to Britain's geopolitics and how this led to the effective British colonization of Ireland. A short history of British/Irish relations will follow. Next week, in Part II, we will examine the Good Friday Agreement and analyze the problems that Brexit brings. As always, we will conclude with market ramifications.

The Geopolitics of Britain

Britain is an island; this feature protects it from invasion. The last successful sea conquest of the island was the Norman Invasion in 1066. Its island geography allowed the British to influence the European continent while mostly preventing European powers from having a similar effect on Britain. However, as the following map shows, Britain's security is dependent on controlling Ireland as well. If a foreign power controlled Ireland, even basing a small navy in Ireland would likely contain the entire west coast of England, Wales and a significant part of Scotland. Therefore,

since the time of the Normans, British leaders have attempted to bring Ireland under their control (as we will discuss in detail in the history section below).



(Source: Wikipedia)

Once the Europeans began to colonize the Western Hemisphere, it became imperative for Britain to control Ireland. Its ability to claim and maintain colonies would have been severely constrained if it hadn't done so. Imagine if Spain had control of Ireland; the Spanish navy could have contained the British navy and likely prevented Britain from obtaining colonies and could have protected Spanish gold shipments from South America that were often at risk from British privateers.

The need for Britain to control Ireland became the key issue shaping relations between the two islands for nearly five centuries. However, in the post-WWII era, that need has lessened. Britain is no longer a colonial power or a global hegemon, so the need to secure shipping from the U.K.'s west coast is less critical. Even more

importantly, the U.S. has granted blanket security for Europe through NATO, thus reducing the threat of a foreign power controlling Ireland. Membership in the EU meant that the border between Ireland and the U.K. became less of a concern as the EU guaranteed the free movement of people and goods throughout the EU region. The steady decrease in risk to British/Irish relations led to the Good Friday Agreement in 1998 (see below).

Brexit changes the calculus to some degree. Britain will remain a member of NATO and it doesn't seem likely that a foreign power will take control of Ireland anytime soon. But, with the reliability of U.S. hegemony in question, the potential exists for a hostile power to make inroads into Ireland at some point. One of the goals of Brexit was for the U.K. to control its borders with regard to immigration. That would seem at odds with an open border at the Ireland/Northern Ireland frontier. Thus, the question of the Irish border has become one of the most intractable elements of the Brexit negotiations (we will discuss this at greater length below). It appears that such concerns were probably not clearly delineated at the time of the Brexit referendum, but the issue has become obvious as talks have progressed.

A Short History of British/Irish Relations

Covering 500 years of history between Britain and Ireland in a short document is fraught with risk. There is no way we can cover all the nuances between these two peoples. Complicating matters are the sectarian divisions between Britain and Ireland; often, the difficult relations are attributed to religious differences. Although they matter, they also mask the simple fact that Britain needed to pacify and control Ireland, and such actions rarely occur without violence and oppression.

Although the Normans did invade Ireland after their successful foray into Britain, they were never able to fully conquer the island. The need for Britain to control Ireland became clear with the European discovery of the Western Hemisphere. As noted above, the entire western flank of Britain is exposed to Ireland and thus the British had to prevent a foreign power from controlling Ireland. Otherwise, trade and colonization would have been nearly impossible. The real effort to take control of Ireland began with King Henry VIII in the 1500s. After a series of battles, Henry proclaimed himself King of Ireland in 1541.

After gaining areas of control, Britain began a conscious attempt to colonize Ireland. The goal was to displace the Irish landowners and replace them with British citizens. The first migrations of the Scotch-Irish¹ began during this period. Needless to say, the native Irish resisted this colonization but to little avail. In 1601, at the Battle of Kinsale, Britain gained control of the entire Irish island. It should be noted that by winning this battle Britain thwarted an attempt by Spain to gain a foothold in Ireland.

After winning this battle, Britain's resettlement efforts expanded. This process, called the "Protestant ascendancy," was designed to elevate high-church Protestants (those aligned with the British and Irish Anglican Churches) to positions of power by granting them large tracts of land. This action deprived the native Irish Catholics of their landholdings. It also deprived low-church Protestants (Presbyterians, Baptists, etc.) of land. The development of the Penal Laws further deprived the Irish Catholics and some low-church Protestants of their rights. Non-Anglicans were barred from

¹ Some of the Scotch-Irish immigrated to other Commonwealth nations and U.S. President Jackson was considered to be of this ancestry.

holding public office and from serving in the army. Catholics, in particular, were not allowed to inherit land owned by Protestants nor could they own a horse that had a value greater than £5.² The constant undermining of Irish civil rights led to persistent rebellions that were efficiently suppressed by the Irish Protestants and the British.

In 1801, Ireland was officially absorbed into the United Kingdom, along with Scotland, England and Wales. In 1845, the Great Irish Potato Famine led to an estimated one million Irish deaths and a similar level of emigration, mostly to the U.S. As time passed, Ireland pressed for greater degrees of autonomy. Described as “Home Rule,” bills to grant this autonomy began in earnest in the 1880s. It finally passed both houses of Parliament in 1914 but its enactment was delayed until after WWII. However, Irish agitation continued, resulting in the 1916 Easter Rebellion, which was suppressed by the British Army in the same year.³

The push for Home Rule via legislation and the uprising show the two trends in the Irish Republican movement, one attempting to gain self-rule by peaceful political means and the other by what was known as “physical force republicanism.” Although support for the rebellion was mixed among the Irish, the atrocities and court martial executions that British soldiers were accused of during the Easter Rebellion turned the Irish toward separation. The Irish War of Independence was a guerrilla campaign fought during 1919-21 between the Irish

Republican Army (IRA) and the British Army and allied Irish Protestant paramilitary groups. The war finally ended in 1922 with the Anglo-Irish Treaty, with a vote where most of the counties joined the Irish Free State but the northeastern counties remained part of the U.K. and became Northern Ireland. Soon after, the Irish Civil War (1922-23) followed, which was a guerilla conflict between Republicans who supported the Anglo-Irish Treaty and those who wanted to unify the island under the government in Dublin. With British aid, the forces that supported the treaty prevailed. In Irish politics, the Fianna Fail is the party that opposed the Anglo-Irish Treaty, while the Fine Gael supported it. Tensions between the supporters of unification by political and violent means remains a theme in Irish politics to the present day.

At the time of separation, Northern Ireland was industrialized and wealthy, while the Irish Free State was mostly rural and poor. Although the separation was far from ideal for either side, the British had concluded that controlling the mostly Catholic south was too costly and not worth the geopolitical gain. The Irish Free State leaders also realized that trying to deal with the Protestants concentrated in the north would have been difficult. As a result, the division of the Irish island was uneasy, but stable.

In Northern Ireland, tensions persisted between those supporting unification and the Unionists, who wanted to remain in the U.K. The IRA, local Protestant paramilitary groups and the British Army fought a guerilla conflict from the late 1960s into 1998 called “The Troubles.” The battle was mainly between Unionists in Northern Ireland, who were mostly Protestants wanting to stay in the United Kingdom, and the IRA, mostly Catholics wanting to unify the island by force.

² Assuming 1775 as a base year, this would be a horse with the value of \$837.27 in 2019. See: <https://www.uwyo.edu/numimage/currency.htm>

³ It should be noted that Imperial Germany tried to send arms to the Irish revolutionaries but the boat was intercepted by the Royal Navy. This interception highlights the geopolitical risk that Ireland represents to Britain.

The Protestant government was accused of systematically discriminating against the Catholics. Catholic groups accused the Northern Irish government of favoring Protestants for jobs and housing. Only homeowners could vote in local elections, which prevented many Catholics, who were renters, from voting; interestingly enough, there were no such restrictions in U.K. elections. The Unionists had gerrymandered the country to reduce Catholic voting power and the police force was 90% Protestant. These policies and conditions fed the ongoing civil conflict between the IRA, the Northern Irish Unionists and the British Army that devastated Northern Ireland from the late 1960s into 1998.

To summarize British/Irish history:

1. Control of Ireland was a geopolitical imperative for Britain. A foreign power controlling Ireland would have threatened the western coast of Britain and likely prevented Britain from becoming a sea power and developing into a global empire.
2. Britain employed colonizing methods that divided the native population and encouraged immigration from Britain to Ireland. It divided the native Irish along sectarian lines, encouraging the development of an Irish Anglican

Church and giving this minority group special rights. It also gave land to immigrant Protestants (Scotch-Irish) by removing Catholic ownership.

3. The Irish-Catholics were divided as well between those who wanted to gain autonomy through political means (the Home Rule movement) or by violence. Each side used violence against the other (as seen in the Irish Civil War that followed the establishment of the Irish Free State). This division continues into the present day, although those supporting violence were undermined by the Good Friday Agreement.
4. The question of Irish unification was hardened in both governments. The Irish constitution did not recognize Northern Ireland as part of the U.K. and U.K. laws did not recognize any Irish government claim over Northern Ireland.
5. By continuing to control part of the Irish island, the U.K. maintained its geopolitical imperative.

Part II

Next week, we will conclude this report with an analysis of the Good Friday Agreement, the issue of Brexit and market ramifications.

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