

## Irish Review (Dublin)

---

The Financial Problem

Home Rule Finance, an Experiment in Justice by T. M. Kettle

Review by: Frederick Ryan

*The Irish Review (Dublin)*, Vol. 1, No. 4 (Jun., 1911), pp. 205-207

Published by: [Irish Review \(Dublin\)](#)

Stable URL: <http://www.jstor.org/stable/30062703>

Accessed: 15/06/2014 13:48

---

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at  
<http://www.jstor.org/page/info/about/policies/terms.jsp>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



*Irish Review (Dublin)* is collaborating with JSTOR to digitize, preserve and extend access to *The Irish Review (Dublin)*.

<http://www.jstor.org>

# Reviews of New Books

## THE FINANCIAL PROBLEM

"HOME RULE FINANCE, AN EXPERIMENT IN JUSTICE." By  
T. M. KETTLE, B.A. Dublin; MAUNSEL & Co. 96 pp. 1s. net.

IT is certainly a hopeful and a healthy sign, an index alike of the seriousness and realism with which the Irish people are approaching the problem of the Home Rule settlement, that so much attention is being given to the question of finance. It was, as we know, on the financial clauses which Parnell fastened as the centre of interest in 1886. Mr. Kettle, in this striking pamphlet, points out that, now Home Rule is seen to be inevitable, many moderate men, formerly hostile, are beginning to scrutinise the proposal in the spirit of business and not of bigotry. At the same time, whilst devoting himself to a consideration of the financial question, he makes clear at the outset that the primary issue for Ireland is one of freedom and not of finance, and amongst his "First Principles" he lays down that "the Irish problem of 1911 belongs to the region of statesmanship and not that of accountancy."

It is a sound view which Mr. Kettle thus emphasises. In reality the question of national expenditure, in the sense of Government expenditure, is one the importance of which may be greatly exaggerated. If any one, for instance, looks at Mr. Chiozza Money's estimate of the gross national income of the United Kingdom, and then at the public revenue, he will find that the latter is only about 8.5 per cent. of the former. In Ireland, of course, the percentage is appreciably higher, perhaps as high as 11 per cent., and that in a country very much poorer, and therefore less able to bear even a similar relative burden to that of the United Kingdom as a whole. In reality the incidence of taxation is the important issue, though as Mr. Kettle is arguing the national case it does not come within his purview. In Ireland, under a Home Rule Government, we shall probably be obliged to increase our taxation in view of the various services in Ireland which are at present starved, like education, and which even the large economies that a native government could effect would not be sufficient to meet. Indeed, Home Rule or no Home Rule, increase of taxation is more than probable. It is for those who desiderate sanity in public things to see, firstly, that such taxation is fruitfully spent in developing the nation's material and moral resources, and, secondly, that it is placed on the shoulders able to bear it.

Meanwhile, Mr. Kettle faces the problem of the alleged deficit in the Irish national balance sheet. That deficit, according to the Treasury White Papers of 1910, amounted to £2,357,000. The figures, however, in those papers, as every one but Mr. Arthur Samuels is aware, are worthless, because the finance of the year 1909-10 was dislocated owing to the rejection of the Budget by

## THE IRISH REVIEW

the Lords in that year. In fact the balance sheet of the United Kingdom for the same period shows a deficit of over 26 millions sterling, due to uncollected taxes. Making allowance for outstanding income tax in Ireland, Mr. Kettle shows that the Irish deficit, even accepting the Treasury classification, was only £1,608,500. In other words, as a result of alien and wasteful administration of Ireland her resources have been so squandered that, at last, the goose that laid the golden eggs is killed. Hitherto the golden eggs have been fairly large and luscious. According to Lord Macdonnell, Ireland between the years 1817 and 1910, on the Treasury figures themselves, paid to the Empire a total tribute of some £325,000,000. All the while the Irish people were disappearing from Ireland, until now there are not enough of them left to keep up the contribution. The £325,000,000, therefore, did not benefit Ireland. What became of it? "It went," says Mr. Kettle, "to pay for the establishment of a Colonial Empire, and for the consolidation of conquest in India. It went to pay for the Chinese War and the blowing of Hindus from gun-muzzles, and the Occupation of Egypt, and Majuba, and Colenso." Nothing more striking or telling has been done than the parallel columns which Mr. Kettle gives on pp. 61-64. Thus we have in the year 1849-50, Imperial Tribute exacted from Ireland, £2,613,773, and opposite to it, the conditions in Ireland: "The Great Famine. Between 1846 and 1851, 985,366 persons die of starvation; 1,240,737 emigrate. During the 'Famine' years Government permits the export from Ireland of corn and meat far more than sufficient to maintain her whole population in comfort."

The upshot, of course, of Mr. Kettle's criticism is that in the financial arrangements of the coming Home Rule Bill there should be a large shifting of charges, at present treated in the Treasury Returns as Irish "local expenditure," to the account of the Imperial Exchequer. Thus, two-thirds of the cost of the Constabulary, as Sir E. Hamilton admitted to the Financial Relations Commission, is properly an Imperial liability. In this way the "deficit" is reduced by £901,000. Then there is the annual charge for the Land Purchase Bonus, which was actually trumpeted at its beginning as a wonderful piece of Imperial generosity to Ireland, but which Ireland is, nevertheless, duly debited with in the Treasury accounts; the amount is £150,000. In addition, Mr. Kettle argues that at the very least one-third of the Old Age Pensions charge is properly to be treated as Imperial, on the ground that the abnormal amount of that expenditure in Ireland is directly due to past misgovernment. These items total £1,831,000. Let us say, in round figures, £2,000,000. It might well be £2,500,000, less than the price of a couple of Dreadnoughts, and it would be a trifling offset to the £325,000,000 tribute of the past.

At the end of his survey Mr. Kettle discusses the complex and troublesome problem of Customs and Excise. The case *for* Irish control of these revenues is that, without it, she is deprived of the control of the method of raising three-fourths of her domestic taxes. Seventy-five per cent. of Irish taxation is indirect.

## NEW BOOKS

The case *against* Ireland having power over Customs and Excise is, in short, that she is as likely to obtain a brand new republic from England as to obtain the right of setting up Customs barriers within the United Kingdom. At a time when the United States and Canada are actually knocking down, to a great extent, their tariff walls, it would be the merest clap-trap to pretend that we have the slightest chance of getting the power to set up such walls in Ireland. There is no use, in sane politics, in leading the people to believe that they can have the moon if they shout loud enough ; this moon, anyhow, they cannot get. Are we, then, in an *impasse*? Mr. Kettle throws out a suggestion of a middle course—namely, that we revert to the condition of affairs previous to 1853, when the Excise duties were assimilated between Ireland and England. Before that date, even under a unitary administration, there were different duties. Customs duties, such as those on tea, cocoa, sugar, tobacco, &c., present a slightly more troublesome problem, but with good-will they might, perhaps, also be differentiated, if necessary—the Irish Parliament having, of course, control over such adjustments.

For any one who desires a brightly written and informing conspectus of the whole financial question, which will, no doubt, become a burning one in a few months' time, this *brochure* of 96 pages may be confidently recommended. Its value is enhanced by appendices which contain the financial provisions of the previous Home Rule Bills, as well as the amendments, carried in Committee, to the financial clauses of the 1893 Bill.

FREDERICK RYAN.

“THE INTELLECTUALS.” An Experiment in Irish Club Life. By CANON SHEEHAN, D.D. London: LONGMANS, GREEN & CO. 6s.

ONE has to read well into this book to realise that Canon Sheehan is not indulging in a prolonged and rather tedious satire—a satire on the manners of the petty bourgeois society of a little Cork town. It is apparently to be taken, *à la* Balzac, as one of Canon Sheehan's *scènes de la vie de province*. As such it is deadly. A certain Father Dillon gets the idea of starting a sort of private literary and debating society, very limited and “select,” the members of which are to meet in each other's houses in regular rotation. There is Mr. Skelton, the bank manager, and Mrs. Skelton ; Dr. Holden, the local practitioner, and Mrs. Holden ; Prof. Sedgwick, of the Queen's College ; Miss Hester Hope, B.A. ; Miss Fraser, and a Mr. Reginald Hunt, a young Englishman who has come over as assistant engineer in the navy yard. The name of the society is the “Sunetoi,” a characteristic touch of affectation at the very start ; and affectation is the note of this little hot-house coterie from beginning to end. The number of times Mrs. Holden whispers to Mrs. Skelton, and that Miss Hope “sweetly smiles” at Mr. Hunt, or that Father Dillon “gently turns” the conversation, are uncountable, but Canon Sheehan dutifully records them all for the edification