

What is Ireland's place in the European and world economy?

Ireland has a population of around 5 million. GDP is an indicator of the wealth produced per capita in each territory, so it allows to calculate the wealth of a country. In Ireland. Globally, GDP 2021 was around 10.343 euros per capita. GDP in Ireland reached 84,698 euros per inhabitant, or 426.30 billion euros for the whole country. Ireland therefore ranks 7th among the major economies. If this is calculated per capita taking into account purchasing power parity, Ireland ranks 3rd in the list of the richest countries in the world. How has Ireland achieved this place in the global and European economy?

Ireland before 1973



Prior to joining the European Union in 1973, Ireland's economy was predominantly agricultural and geared towards the export of food products, such as meat and dairy products, to the United Kingdom. Ireland also had a strong industrial tradition, but this industry was relatively small

and was mainly concentrated in sectors such as textile and footwear production.

However, the Irish economy has faced significant challenges, including low economic growth and significant emigration of skilled workers to other countries. Ireland also had limited transport and communications infrastructure, which limited the country's ability to connect with other markets.

Ireland joining the European Union

Before joining the European Union, Ireland was one of the poorest countries in Europe. Ireland has been a member of the EU since 1973. It joined the EEC at the same time as Denmark and the United Kingdom. Since its accession, it is one of the countries which has most effectively benefited from Community aid, in particular within the framework of the common agricultural policy. Between 1989 and 1999, Ireland also benefited greatly from the structural funds, with 10.1 billion euros over the period, or around 1.8% of GDP per year. Huge economic success earned Irish economy the nickname "Celtic Tiger" in the 1990s as GDP and job



creation have been so rapid that they have been compared to the speed and agility of a tiger, "Celtic" referring to Irish Celtic culture of Ireland. However, the "Celtic Tiger" also experienced a major economic crisis following the global financial crisis of 2008. The Irish economy was badly affected, leading to a significant increase in unemployment and a decline in economic growth. Despite this, Ireland has managed to recover from this crisis and continues to be an important economy in Europe.

The EU has allowed Ireland to export products to other countries by waiving customs duties, which has boosted industry and created jobs. The EU has provided Ireland with significant funds to modernize its infrastructures and improve the quality of life for its inhabitants. EU money has funded investment in research and development. This has enabled Ireland to become more economically competitive. The EU has also supported the Irish agricultural industry by providing agricultural subsidies. This has helped maintain the livelihoods of many Irish farmers and ensure the country's food security. Finally, the EU has supported peace and reconciliation in Northern Ireland by providing funds for economic and social development projects. This has helped strengthen economic and social ties between Northern Ireland and the Republic of Ireland, which has contributed to the stability and prosperity of the region as a whole. Therefore, the EU has provided significant economic and financial support to Ireland over the past decades, which has contributed to its economic growth and development.

In conclusion, Ireland occupies an important place in the European and global economy due to its successful economic transformation, its advantageous tax policy and its ability to attract foreign investment. Ireland's accession to the EU has been a key element of this transformation, enabling Ireland to modernize its infrastructures, attract investments and develop in European markets. As Ireland continues to strengthen its tax system and to comply to EU rules, it is well-positioned to maintain its rank as an economic leader in the coming years.



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