

Abstract

The sectoral concentration and globalised nature of the Irish economy in the face of deglobalisation trends is a growing source of focus. We examine the extent to which the Irish economy is becoming increasingly concentrated in European context. We find that the Irish economy is highly concentrated in a GVA basis. Ireland is much less concentrated measured by employment, and on the basis of a measure that takes sectors' input-output interdependencies into account. We also examine the interlinkages of the EU economy by country and sector in the context of the recent push towards European strategic autonomy. Modelling the direct impact of substituting non-EU inputs for equivalents from within the EU, our results suggest that Eastern European countries would benefit most, relative to their economic size. Ireland would benefit seventh least. Splitting the Irish economy into two (foreign MNE dominated sectors and the rest), we find that foreign MNE dominated sectors would benefit more than the EU average from such a re-allocation while the other sectors grouping is amongst those to benefit least.