



# Who Are They Listening To

Influential Voices in Ireland's Economic Policy-Making

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## ABOUT US

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## Introduction

This paper is about who influences economic policy makers in Ireland. Ireland's economy is of interest as it was not only part of the infamous PIIGS (Portugal, Ireland, Italy, Greece and Spain - whose economies were central in the Euro crisis of 2009 - ) but Ireland is also seen as the poster child of the neoliberal prescription of austerity adopted by Europe's leaders during the great recession (Hogan & O'Rourke, 2016).

Though policy makers may often be defined to include other agents such as civil servants, special or political advisors here we focus on Irish Cabinet ministers as the makers of policy. Of course, given Ireland's small size, openness to the world economy and membership of the European Union (EU) policy-making for Ireland could be studied at other levels than the national, but national policy-making is our focus here.

Our title uses the term listening because we are focussed on the ideas, analysts and discourses that influence policy rather than the interests that may provide the underlying drivers of such phenomena. Of course, tracing the influence of particular discourses may reveal the interests that are being served.

The paper looks in turn at the following sources to which Irish economic policy makers listen starting with themselves then moving on to the media, think tanks & lobbyists and economics experts. We identify what we believe are some significant trends in these influential voices as well as pointing to important questions to which as yet we do not have answers. These points are highlighted in our conclusions section.

## Themselves

Irish political elites, perhaps all elites, are frequently accused of living in their own bubble, and though the talk of elites in recent political contests has been rather confusing and confused, careful studies can be revealing for understanding policy-making, in particular the failure to consider alternatives. Janis' (1983) insights on the danger of groupthink remain relevant (Akelrod, 2015).

In the case of Irish policy-makers it is now clear that in recent years the influence of University Colleges Dublin (UCD) as the single most important institute of higher education in the formation of cabinet ministers has been growing. It alone accounts for 34 percent of all cabinet ministers since 1937. Adjusting for relevant sizes of the two countries Feeney, Hogan and O'Rourke (under review) found that from 1997 to 2012 the higher education formation of Cabinet ministers was more



elitist for Ireland than the United Kingdom. This homosociality of the Irish policy makers is worrying.

Just over 22 percent of all of our cabinet ministers since 1937 have been solicitors or barristers, while just under 20 percent have been teachers. A significant percentage have also been doctors, trade unions officials, farmers and business people.

## Media

Recently Ryan Tubridy, Ireland's best paid public service broadcaster, whose pay package was cut to just under half million euro since 2011 (RTÉ, 2016) made the following comments on the news story that Peter Kay, the UK comedian, had amassed a fortune of UK£28 million:

*I wouldn't begrudge him one red cent of his money. He earns it. And he deserves it. And he is reaping the rewards of his success, and if he is successful well then good on him.* (Tubridy, 2016)

The remarks were aired shortly after a current affairs programme that reported on the fiscal consequences of increasing the wages of public sector workers. It is not absolutely clear if the broadcaster was modelling this magnanimity to his listeners in relation to successful people generally, public service workers or fellow celebrities in particular but it certainly does convey a very particular view on income distribution.

The dominance, since the mid-1980s, of neoliberalism in Irish media discourses of enterprise, privatisation and the economy in general has been noted by a number of researchers (Phelan, 2007a&b O'Rourke, 2010; Mercille, 2014). As indicated above, there is also evidence of neoliberal work been done in chat and talk shows (O'Rourke & Hogan, 2013).

There is a large and, since the advent of the great recession, seemingly an increased role of economics experts in the media in Ireland. For example, out of 75 articles written by outside writers (non-journalists) in three top quality Irish newspapers during the period 2008-2012 concerning Irish budgets, 35 (47%) are economists or working in the financial sector (Mercille, 2014, p.291). Evidence for an increase in this dominance of economics expertise in media since 2007 is more impressionistic (Allen, 2012; Fitzgerald & O'Rourke, 2016). We agree with this impression, but some more research is needed both to confirm the impression and to get some idea of the extent of any such increase.

## Think Tanks & Lobbyists



Think tanks, at least in the sense of ones that are ones that tend to be explicit about the particular perspective and are comparable with think tanks in other developed countries are relatively new in Ireland.

Founded in 1990, The Institute for European and International Affairs ([www.iiea.com](http://www.iiea.com)) does describe itself as a think tank but unlike many think tanks attempts to provide a forum for very diverse views from across different corporate bodies. The think-tanks listed in Table 1 below tend to act as a venue where those sharing a differentiated set of values can come together and produce research on policy. All were founded after 2000, even though some had earlier antecedents and have become more vocal only in the last 5 to 10 years.

We expect that this trend of increased activity of think-tanks in Ireland to grow, and with it the prominence of economics experts.

**Table 1 Think Tanks in Ireland**

Think –tank / website	Formed	Tag line	Comments
<a href="http://www.HiberniaForum.ie">www.HiberniaForum.ie</a>	Launched October, 2015.	'Ireland's free market think tank'.	More journalists than economists or academics Links with Property Rights Alliance & World Taxpayers Association
<a href="http://www.lonalInstitute.ie">www.lonalInstitute.ie</a>	Founded 2006	'promotes the place of marriage & religion in society'.	Law, medics and theologians. Some economic commentary, for example on advocating equal support for in home childcare. Conservative Catholics.
<a href="http://www.NERI.ie">www.NERI.ie</a>	Active since 2001	'Research for new economic policies'	Part of Trade Union related Research Institutes
<a href="http://www.publicpolicy.ie">www.publicpolicy.ie</a>	Founded in 2011.	'Independent thinking on Public Choices'	Dominated by economists, stresses evidence based policy recommendations.
<a href="http://www.socialjustice.ie">www.socialjustice.ie</a>	Founded in 2010	'working to build a just society'	Works with Caritas Europe. Economics and Spirituality Social justice Catholics.
<a href="http://www.tasc.ie">www.tasc.ie</a>	Founded in 2001.	'Think-tank for action on social change'	Works with FEPS (Foundation for European Progressive Studies) a EU parliament think tank or Eurofoundation associated with Party of European Socialists. Experts on economy, open government.

Source: Derived from the think-tank websources, [www.charitiesregulatoryauthority.ie](http://www.charitiesregulatoryauthority.ie) and [www.cro.ie](http://www.cro.ie) last accessed December 7<sup>th</sup>, 2016.



Ireland only introduced comprehensive lobbying regulation recently in the Regulation of Lobbying Act 2015. 2016 will be the first calendar year in which information arising from that Act will be available on the activity of lobbyists in Ireland. It will be particularly interesting to look at the Irish Business and Employers' Confederation (currently showing 300 returns), Irish Congress of Trade Unions (65 returns) and American Chamber of Commerce Ireland's activity (20 returns) – these are only partial returns as reported on [www.lobbying.ie](http://www.lobbying.ie) on 8th December, 2016. Analysis of finalised returns for the full year of 2016 will provide firmer evidence on the reported activity.

## Economics Experts

Despite criticisms of the economics profession worldwide, particularly following the economic crises of 2007 and 2008, economics experts are now playing a greater role at least in Irish policy making. It is useful here to distinguish between economics experts and the broader category of economic experts. By economics experts we mean those trained in that particular discipline with the market as its central object and the logic of individualized incentives as the tradition's central method. Economic experts are a broader group that might include sociologists, historians, political scientists, business academics as well as economics experts (O'Rourke, 2015). It is the former – economics experts – whose prominence in Irish policy making has definitely increased. Though the broader category of economic experts may also have increased their influence in public debate this is, at moment, less clear.

It is important to note that not all economics experts are neoliberals and not all neoliberals are economics experts. For example, in the exchanges between Niall Fergusson who might be termed an economic expert, and Paul Krugman an economics expert, the economic expert is clearly the most neoliberal.

Economics experts may have a particular legitimacy in Ireland as many had warned of a bubble and the unsustainability of the Irish economy boom since 2000. Furthermore, neoliberal politicians had been very publically attacked these economics experts during the Irish boom (O'Rourke & Hogan, 2013).

Regardless of the peculiar legitimacy, in post-Great Recession Ireland, of economics experts, it is clear that their voice in Irish policy-making has strengthened in Ireland since 2007. We have noted the prominence of economics in the Irish media above. The evidence of increased economics in the institutions of government is even clearer. There has been a move to increase the number of economics experts in the Department of Finance and increase their 'engagement with other economic analysts both inside and outside the Government sector' (Wright, 2010, p.34). This greater voice for expert economics in fiscal policy was further 'constitutionalized'



(McBride, 2016) in the Fiscal Responsibility Act (2012) and Ministers & Secretaries Amendment Act (2013) which provided the legal basis for the Irish Fiscal Advisory Council – chaired, made up of and largely staffed by economics experts. On the monetary policy side, though it is important to remember that Ireland is a Eurozone country, the leadership of the Central Bank of Ireland has shifted from being the preserve of experience civil servants to academic economics experts, with the only two Governors of the Central Bank appointed since the 2009 have come to job from position as economics professors. Amusingly a newspaper article rather hostile to the civil service managed to construct this as victory against intellectuals, declaring with obvious approval that 'It could be a very long time before another bookish ex-Department of Finance mandarin gets to run the Central Bank again.' (Irish Independent, 2011, emphasis added, not in original).

## Discussions & Conclusion

What, who and how Irish policy makers are listening to appears to have changed a lot in recent years. The increased concentration in the higher education of the political elite (Feeney, Hogan and O'Rourke, under review) is worrying if there is already concern that the range of range of policy alternatives being heard is too narrow. It is clear that the voice of economics experts in Ireland is increasingly listened to. While such an increase in expertise might be welcomed, if that expertise has a very narrow range of methodologies and a narrow orthodoxy, concerns about considering an appropriately wide range of policy alternatives are warranted. The extent that these are the only change, particularly, in the discourse of the media, think-tanks and lobbyists needs more research. We need more research to understand more how economics experts are providing their expertise (Fitzgerald & O'Rourke, 2016; Maesse, 2015; O'Rourke & Hogan, 2013). We know that economics and neoliberalism overlap, but to what extent is this the case in Ireland and elsewhere? The evolution of that relationship since the Great Recession needs to be researched further. The degree to which the economic or economics expertise listened to by policy makers is influenced by peculiarly national Irish factors, or broader European or Atlantic trends, needs to be teased out. The need to explain the lack of alternative viewpoints in policy-makers' perspectives was made particularly obvious during the period of austerity 2008-2014, but recent changes in Ireland's policy-making landscape make this task seem even more urgent.



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