

The economic crash a decade ago was painful enough in its own right. But its after-effects and the way it was dealt with created a loss of faith in Ireland's ruling elites



Colin Murphy

The word "credit" comes from the Latin "crederé" - to believe. To loan someone money, you need to believe they're going to pay you back. The economy runs on trust.

September ten years ago, the markets lost trust in Wall Street's investment banks, fearing hidden exposures to losses on the sub-prime property market.

Loss of trust is contagious: not simply because the financial problem may be widespread, but because, in an environment where other people are becoming less trusting, and calling their loans in, it is rational to do the same - and do so first.

All that year, Anglo Irish Bank had been struggling to keep the trust of the markets, resorting to schemes subsequently judged illegal (the "Maple 10" loans and the Irish Life & Permanent fraudulent deposits) to prop up the share price and bolster its accounts (though with distinct origins), following the collapse of Lehman Brothers, that trust finally disintegrated.

Fearing that the contagion from an Anglo collapse would take the other Irish banks (AIB and Bank of Ireland in particular) down with it, and lacking the information, expertise or experience to challenge the presumption that the other banks were good, Brian Cowen and Brian Lenihan placed the reputation of the sovereign behind the banks. Trust us, they said to the markets, our banks are good (or we'll make them so).

The banking crisis could be said to

have been caused by an excess of trust: through ten years of almost-uninterrupted economic growth accompanied by soaring growth in property prices, people had come to trust that prices would continue to go up. There was no basis for that trust and so, when the shock came, it evaporated. The trust of the markets in the banks went first, followed by the trust in the state that had backed the banks.

And with that went the trust of the people in the banks, in the institutions of state that were supposed to oversee the banks, in the government and the political system that designed and oversaw those institutions, and, most dangerously, in the fairness of our state and system.

Ten years on, Ireland is still haunted by that collapse in trust. Elsewhere, a similar loss of trust (though with distinct origins) is crippling politics and threatening the cohesion and stability of the social-democratic state and the liberal international order. Trust is always a defining feature of our economics; distrust has become a defining feature of our age.

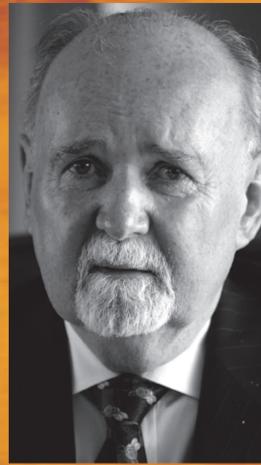
The trust gap

The nadir came in October 2010, when the markets finally and definitively lost trust in the Irish state, and the people lost trust in their government.

That month and the following month, as Ireland ran its bailout programme, the public relations firm Edelman conducted the research for its annual "trust barometer", which would be published the following January. Edelman surveys trust in 23 rich countries annually, under four headings - government, business, NGOs and the media - which it then aggregates in a global index.

The collapse of trust in the government in late 2010 drove Ireland to the bottom of the 23-country scale on Edelman's 2011 barometer, both for trust in government (which was just 20 per cent) and global trust. (A special survey found that Ireland

FACING DISASTER: not until after our economy foundered, and nearly sank, did we discover that there was no captain guiding the ship



From left: Brian Cowen, Brian Lenihan, Michael Fingleton, Sean FitzPatrick, Sean Quinn David Drummond and John Hurley

A MATTER OF TRUST

also displayed the lowest levels of trust in its banks, which had a trust rating of an extraordinary 6 per cent.)

Trust in government here has recovered somewhat since. In this year's barometer (based on fieldwork last November), it reached 35 per cent, a similar level to that in Britain and the US.

In the meantime, however, trust in the Irish media has tanked. In last year's barometer, only Turkey had a lower rate of trust in the media. That has improved in the year since, but Ireland still has the seventh least-trusted media of the 23 countries surveyed.

On the global index, Ireland is fourth from bottom in this year's barometer. It has been close to the bottom every year since 2011.

In addition, a "trust gap" has opened up. What Edelman calls the "informed public" (college-educated and higher-earning) is more trusting than the mass population by ten percentage points. (This trust gap is worst in the US and Britain, where it is almost 20 points.)

So not merely do we have a crisis of trust in our institutions, it is being exacerbated by a divergence between the trust levels of those on the inside and those on the outside.

Public servants and union officials believed themselves to be outside of the mania and extravagance of the private sector-led boom, even as they fought to keep their terms and conditions up to speed with those in the private sector. Those in the NGO sector saw themselves as honest brokers, despite having participated in a partnership mechanism that blunted public criticism of government and guided public spending to catastrophically unsustainable heights.

And then there were the real outsiders - the plain people of Ireland. The political genius of Fianna Fáil was that, for a time, it made them insiders: the Celtic Tiger, and the construction boom in particular, drove jobs and income into families and communities that had never before had such security.

And so, when the crash came, these people were embraced as insiders, and enfolded into the blame.

Commentators lamented that the country had lost the run of itself. Middle-class people scoffed at the vulgarity of the oversized televisions, foreign holidays and - God forbid - holiday apartments

had responded to Brian Lenihan's October 2008 call for senior officials to take pay cuts by volunteering a cut of 10 per cent. When 1 was researching the bank guarantee, senior officials praised his commitment and work rate. He himself described the work of those officials that managed the crisis response as "heroic".

But Hurley was the man at the apex of the banking system as it hurtled towards implosion. His volunteered 10 per cent salary cut was itself the equivalent of the average industrial wage. To those whose prospects of earning even that had suddenly disappeared, this was a strange kind of heroism.

Four months after Lenihan's call, just 25 senior officials had responded (according to Sarah McInerney in the Sunday Times; the 15 departmental secretaries general had each previously agreed to a cut). The judiciary, too, was largely about volunteering for pay cuts, provoking Alan Shatter to run a successful referendum to put cuts to be imposed upon them. In the meantime, 85 per cent of the judges had taken cuts, but they nonetheless opposed the referendum.

An unfair fallout

The headline here was the issue of "fairness". None of these people had caused the crash. Each of them had legal, and arguably, moral entitlements to the pay and benefits that had been promised to them, and for which they had worked. Having these removed, they believed, would be "unfair".

But the crash had exposed a great seam of inequality running through Irish society, which the boom had papered over. The salaries and benefits of the public sector elite were now revealed to be grossly out of line with the expectations of the vast majority of the country. The multiplier between the income of those on the average wage, or on welfare, and those at the top suddenly seemed immoral.

In 2008, seven out of ten Irish people believed that wealth was unfairly distributed. By 2010, that had risen to nearly nine in ten. A study in 2014 found that had a master's degree in economics, the banking inquiry found. "The economic function was very, very small in the overall department," the Department of Finance's former chief economist, John McCarthy, told the inquiry.

The country's top builders liked to portray themselves as outsiders in the world of modest stock, outsiders in the refined world of old money. Sean Quinn played poker nightly with old friends in Ballyconnell for 50 cent stakes, in a house "where you have to go out into the front street to go to the toilet", he told reporters. Yet for his daughter's wedding in 2007, a wedding cake was flown in from New York at a reported cost of €100,000.

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This inequality was nudged on by successive budgets. The budgets from 2009 to 2016 imposed losses in income of, on average, under 10 per cent. The hardest hit was the top income group, who suffered an income loss of just over 14 per cent. But the next hardest hit was the bottom income group, which took a hit of almost 13 per cent. (Source: the ESRI publication, *Distributional Impact of Tax, Welfare and Public Service Pay Policies: Budget 2016 and Budgets 2009-2016*.)

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the *Sunday Business Post* Red C poll had Fianna Fáil eight points above Fine Gael. A month later, their positions had been reversed. Fianna Fáil has not since come out ahead. In October 2010, as the bailout unfolded, Labour overtook Fianna Fáil in the polls, and remained ahead until after the 2011 general election.

It was clear from late 2008, thus, that the next government would be led by either Fine Gael or (less likely) Labour; the only question was, what would that government do differently?

The answer came in both the tone and the substance of Fine Gael and Labour's rhetoric. Michael Noonan was a persistent and trenchant critic of Brian Lenihan's financial policy, advocating repeatedly that losses be imposed on Anglo's bondholders.

Eamon Gilmore led the charge for a fairer Ireland. As the election loomed, Gilmore declared that, in government, it would be "Frankfurt's way or Labour's way".

Leo Varadkar said the banks would get "not another cent" unless they imposed losses on their senior bondholders. Ruairi Quinn signed a pledge not to introduce third-level fees (every bit as cynical a promise as Fianna Fáil's 1987 election refrain of "Health cuts hurt the old, the sick and the handicapped", which was promptly followed, post-election, by Ray MacSharry's swinging austerity).

In their subsequent programme for government, the two parties declared a "democratic revolution" had taken place. The election marked, indeed, a revolution in personnel. Political analyst Gerard Howlin has calculated that it saw the third-largest turnover of parliamentary seats in any western democracy since World War II. But that revolution must have also been one of the most conservative, and most disingenuous. Because it became immediately clear that the new government's primary policy would be to continue on the path set by its predecessor.

It was telling that Brian Lenihan jr had been the sole Fianna Fáil TD returned in Dublin - on a respectable vote share of 15 per cent. Despite being the principal architect of the austerity plan that had so damaged the country, Lenihan was widely admired for his willingness and ability to advocate for that plan, as well as for his courage in persisting with a grueling job in the face of what turned out to be a terminal illness.

On April 1, 2011, in one of his final contributions to the Dáil, Lenihan assessed the new government's supposedly new banking strategy. The new government had created a "narrative" that suggested it had "a radical new policy, different to the mistakes of its predecessors," he said. "In fact, it is the same policy and is the correct one."

Lenihan was vindicated: the policy, enhanced by refinements and reforms secured by the new government, and massively boosted by the quick returns to growth in Britain and the US, saw Ireland emerge successfully from the bailout, adding the second bailout most commentators had anticipated, and returning rapidly to growth and near-full employment.

Yet the government's attempts to take credit for this were undermined by the dishonesty with which it had attained government in the first place, and by its own paradoxical situation of disavowing responsibility for the policies that it had ardently (and effectively) pursued. This led, ultimately, to the disastrous decision to accelerate the wind-down of Nama, driven by a desire of the government to take credit for dismantling the policy infrastructure it had inherited, instead of taking credit for steering it to success.

In this, the loss of Brian Lenihan jr was acute. As his former colleagues either went to ground or sought to remake themselves as social justice activists, Lenihan's death in June 2011 deprived the Irish political system of perhaps the one person who had the ability to keep the system honest, because he was the one person willing and able to take credit for policies that were - at the macroeconomic level, at least - working.

In the absence of hard evidence, many assumed the worst. Nama's secrecy fuelled a belief that bankrupt developers were getting off scot-free, and that Ireland was being sold for a song to foreigners, all either through neoliberal design or intrinsic national incompetence. Distrust remained endemic - and often justified.

Getting away with it

As austerity ground down the people, particularly the economically vulnerable, and the political system benefited them with false promises, the financial system compounded the damage done by the banking crash by rebuffering pressures for transparency and accountability.

Investigations into what happened at Anglo Irish Bank proceeded at an excruciatingly slow pace, and failings at the Office of the Director of Corporate Enforcement contributed to the collapse of the trial of Sean FitzPatrick.



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AIB, which initially cost the state €20 billion (much of which will be recovered, in time) commissioned a series of reports on what went wrong, but didn't publish them. Bank of Ireland appointed one of the members of its boom-era senior team, Richie Boucher, as its new chief executive. By the time the banking inquiry reported, seven years after the guarantee, its report was largely irrelevant.

That Irish banking culture remained unreformed was revealed by the tracker mortgage scandal, which saw tens of thousands of customers done over by banks that placed them on higher interest rates than they should have been on.

In the meantime, Nama paid €31.8 billion for property loans worth a nominal €7.4 billion, to become one of the world's biggest property agencies. Despite its size and seminal import to the Irish recovery, Nama consistently refused to reveal the details of its dealings, citing "commercial sensitivity".

One of the agency's best informed and most astute critics was an anonymous blogger known as NamaWinelake

(nowadays active on Twitter). In the blog's final post, in 2013, he or she paid tribute to the reputed honesty and diligence of Nama's staff, but pointed out that this lack of transparency meant that it was impossible to know if Nama had done a good job.

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The voters bite back

This distrust spilled over in two referendums, on Oireachtas inquiries and the

abolition of the Seanad, when the electorate rejected what were portrayed as power grabs by the government. Then, in the 2016 election, an unprecedented 18 per cent of voters rejected the parties for independents, and distrust among the small parties and independents of the left undermined any attempt to form a coherent left-wing bloc (in the Dáil (or even in government)).

This distrust came to a head in the water protests, when resistance to a new austerity charge and a widespread cultural belief in "free water" were reinforced by the thesis that the introduction of water charges was a right-wing conspiracy to impose a regressive tax, to privatise Ireland's water.

This pattern is being replicated with housing, where anger at the enduring impact of the crash and at the state's

long-running failure to provide adequate social and affordable housing is being reinforced by a deep distrust in state's competence and bona fides on the issue.

In the US and Britain, a similar phenomenon saw an angry expression at the ballot box, bringing Donald Trump to power and Brexit to Britain.

Yet the two seminal votes in Ireland in recent years were not elections, and were not angry. The huge endorsements for marriage equality and for abortion rights were votes that bucked the trend in recent international elections: they were optimistic and generous, and based on trust.

There is other data to support this story of an Ireland that is hopeful and open, rather than distrustful. In 2008, Ireland was ranked by the UN as the fifth-best place in the world for "human development". Today, it is ranked fourth-best. Ireland has the sixth-highest level of life satisfaction in the EU (according to Eurostat), is the 14th happiest country in the world (according to the World Happiness Report), and is the second-most accepting country for migrants in the EU, after Sweden (according to the Gallup World Poll).

So the story is not as neat as one might like. A country that has huge cause for social and political fragmentation, and shows some evidence of having suffered this, is also a country that often appears unusually confident and open.

That confidence is social, not political: it is striking how rarely the two referendum successes have been attributed to political action, and how commonly they are attributed almost exclusively to civic activism, the result of protest, not politics. (They were the result of both.) The political system deserved more credit than it got; elsewhere, it often gets more abuse than it merits.

In part, that's the nature of public debate. But it is also likely to be a legacy of a crisis recovery that, even as it sought to protect aggregate living standards, imposed the burden unfairly on some, exposed the existing unfairness in Irish society, and often cloaked its action in lies and secrecy.

Irish society and politics have not fractured in the way they have in Britain or the US. There is no ascendant populism, nativism, authoritarianism or anti-immigrant sentiment.

But we are not magically immune to those trends, and the lower the trust in our political system and institutions, the easier those forces will find it to gain a foothold. The recovery is ongoing; the long game is the restoration of trust.

Colin Murphy's two-part dramatisation of the crisis period, *The Bailout*, runs on Virgin Media One tomorrow and Monday week

COMMERCIAL PROFILE: CODEC

Codec: Staying footloose and fancy-free with BYOD

The popularity of bring your own devices (BYOD) within companies is growing, and for good reason. Since personal devices like smartphones are now ubiquitous, many people feel comfortable using them and are likely to stick to the services that they're familiar with.

Yet that creates potential risks for companies, especially around the subject of sensitive data and security. If you can strike a balance between accessibility and security, you can have the best of both worlds.

Usually, the main concerns are making sure that all users use the sanctioned apps so they have secure access to company data," said Leonardo Felippine, Codec's Senior Cloud and Platform Consultant.

"You have to make sure that data is only accessible on the devices that users are allowed to access, while at the same time making sure that if a device is lost or stolen or if the user leaves the company, the data will no longer be accessible on that device."

"One of the main concerns is making sure that we have it set up in a way that will secure access to corporate data while still allowing users to use their devices for their personal data and not prevent them from working. It needs to be balanced between security and usability."

For Codec, a full-stack solutions company which specialises in a great deal of work with its clients on this subject, there are some important tools that help in this area of mobile device management.



Leonardo Felippine, Cloud and Platform Consultant, Codec

The difference between the two is that MDM uses software that companies can use to lock down, control, encrypt and enforce policies on mobile devices. MAM does the same thing, but only applies it to specific applications related to the corporation.

Codec has been busy incorporating Microsoft cloud solutions into companies to address multiple security concerns, including BYOD. One recent example was with a major health clinic, where it implemented Microsoft's Intune for 200 people.

"Usually, we show the client what Microsoft's security solutions are capable of and then we start to work together to define a policy that will work for their business," said Felippine. "We consider now users use their devices and what kind of devices are in place."

"From there, we set up the policies and then we create tests and a pilot group. We bring a number of different devices and different versions to make sure we can apply policies to all of them. "Once the pilot is in place, we make any adjustments that might be necessary and



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from there on, we put it into production for everyone." Intune is used by Codec as its ability to help users be as productive as they can, while ensuring that they are well-protected.

As it's part of Microsoft's Enterprise Mobility Suite, it means that the company is well versed in how it fits in with the entire ecosystem like Azure and Office 365.

The overall scope of protection it offers fits in with the ever-changing digital landscape that businesses face, bringing both scale and flexibility together.

Felippine mentioned that some companies already know what they want from

Codec when they have that first meeting while others want to see how it can help them deal with problems like their workers accessing corporate data on their devices.

In either scenario, the problem of securing data and forming data policies is a constant factor and as technology changes, the approach adapts with it.

"We do our best with the solutions that are available to make sure they're secure," he said. "The responsibility also relies on the users to make sure their devices aren't unlocked or that they share devices with someone else. Therefore, everyone needs to be aware."

"Our journey is always evolving so every now and then, there are new features that might be useful for some companies so we let them know that something they mentioned and wanted is available now."

To find out more about how you can find the right balance in your BYOD strategy, register for our webinar 'BYOD Security: What are the risks and how can they be mitigated?' at www.codec.ie

No insiders, only outsiders

This division, between insiders and outsiders, was one of the salient themes of the crisis. But the extraordinary thing about the Irish crisis - or perhaps it is a feature of Irish identity - is that almost everybody perceived themselves to be on the outside.

Brian Cowen, as Bertie Aherm before him, cast himself as an unadorned everyman, an outsider to the world he inhabited, more comfortable in the pubs than in offices of state. He once said he'd learned more behind the bar counter than in college. (Both men invoked Fianna Fáil's paradoxical identity as both outsiders and the natural party of government.)

Sean FitzPatrick and David Drummond saw themselves as outsiders in the refined world of Irish banking. In *Follow the Money*, David McWilliams recounted a conversation he had with FitzPatrick in November 2008: "Those establishment fuckers and Bank of Ireland have been running our country before we came along, and those fuckers are not going to bring me down," FitzPatrick told him. "We are the outsiders, and this is our moment."

The state's top finance officials projected an image of themselves as hard-working, honest folk, outsiders to the Byzantine world of high finance. (Just 7 per cent of the Department of Finance staff had a master's degree in economics, the banking inquiry found. "The economic function was very, very small in the overall department," the Department of Finance's former chief economist, John McCarthy, told the inquiry.)

The country's top builders liked to portray themselves as outsiders in the world of modest stock, outsiders in the refined world of old money. Sean Quinn played poker nightly with old friends in Ballyconnell for 50 cent stakes, in a house "where you have to go out into the front street to go to the toilet", he told reporters. Yet for his daughter's wedding in 2007, a wedding cake was flown in from New York at a reported cost of €100,000.

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being bought by the working classes.

You couldn't go around giving nurses and teachers houses, one senior banker ruefully told me after the crash, by way of explanation for the banks' mistakes (and in apparent ignorance of the fact that the greatest damage was done to the banks not by retail lending, but by commercial). "We all parted," said Brian Lenihan jr. But "partying", for many, amounted to simply having a steady job with a half-decent income, the prospect of a mortgage, the possibility, even, of sending children to college or helping them get their own home. "Partying", for many, meant, for the first time, having middle-class expectations. And when those expectations proved unsustainable, middle-class people laughed.

In the meantime, the insiders fought amongst themselves as to who were the real insiders, and resisted taking blame or pay cuts till those others did too. The rat stepped out from the top, as a generation of executives and officials retired or resigned with golden handshakes and boomtime pension packages.

The most egregious of those were in the private sector (such as the €30 million pension pot and €11,500 watch given to Michael Fingleton as thanks for destroying a building society and torching €5.4 billion of public money).

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Pat Rabbitte

Why this presidential election was a pointless exercise

I'm glad Michael D Higgins changed his mind about seeking a second term as President of Ireland. Although this was not his best campaign, he nonetheless emerged head and shoulders above the rest of the field. We have a strong record, since the office was established, of candidates of stature taking up residence in Áras an Uachtaráin.

A more lacklustre, uninspiring campaign than this one it is hard to remember. Higgins apart, none of the candidates presented as vaguely presidential. Worse still, they couldn't get their heads around the role of the President. Articles 12 and 13 of Bunreacht na hÉireann are not especially complex, but the boundaries eluded the eager aspirants.

The five also-rans are no doubt patriotic, well-intentioned citizens. But why they want to start in the Phoenix Park is puzzling. It is curious that the burning passion for public service has never driven any of them to seek election to Dáil Éireann.

We have had a lot of po-faced tut-tutting about democracy and the imperative for an election and how commendable and brave it was to mount a challenge to the incumbent. Indeed, in the final television debate the candidates commended themselves for their bravery in coming forward. Well, all right, but wouldn't foolhardy be a better description?

This folly – before we come to hubris – derives from a misunderstanding of the role of the presidency. By all means let us exhort citizens of whatever provenance to contest Dáil or local elections to implement their ideas and effect change. But the role of the President is distinctly and constitutionally different. The President is Ireland's lead ambassador. He or she is Ireland's first diplomat. The President has a confined but definite constitutional role.

I know of no senior position that does not require an apprenticeship of relevance. How can someone with no relevant experience be reasonably expected to discharge the functions of the Presidency? The muddled answers during the campaign to straightforward questions about the few powers of the President highlighted as much.

As head of state the President is expected to engage with ambassadors and other heads of state regularly. The skills needed are those of the senior politician or legislator or of such other persons as are manifestly qualified. However, the public would need to be convinced of the track record and suitability of the pop-up candidate before departing from the conventional route.

The proposition that candidates with no record of public service of any kind are equipped to discharge the presidential role is questionable. What motivates someone with no record in public life to suddenly want to contest the top office in the land? At least one candidate in this contest has left the impression that he believed, having watched a wealthy businessman in the US on a recklessly disruptive platform improbably capture the White House, it could be replicated in Ireland.

This presidential campaign was not edifying and did not raise the spirits of the nation. It is difficult to sustain the argument that the contest served any purpose. Perhaps it would have been worthwhile if there was full-blooded participation by the political parties. Some people, especially young people, believe that 14 years is too long for any occupant of the office and that two terms of five years would be more appropriate. Former President, the late Patrick Hillery, once remarked that the presidency was the only position where, if the occupant is judged to have done a good job, he is in danger of being sentenced to a second term.

It has to be said that Michael D Higgins sees it differently. One of the reasons he is acknowledged to be a good President is that he so manifestly enjoys it. And for very many years, as I know, he has wanted to become President. In 2004, he was determined to contest the then incumbent President McAleese. Contesting a popular incumbent is not a promising enterprise. As Labour leader at the time I persuaded him to bide his time, but he subsequently changed his mind. This prompted a week of media mayhem where Labour TDs were challenged to say whether they supported Michael D Higgins or the party leader. The national executive decided narrowly against contesting McAleese and, as a result, Higgins survived to successfully contest in 2011. The dispute did not damage Michael D or our personal relations, although it did damage my leadership at the time.

Of course, it suited Fine Gael and Fianna Fáil this time to conserve their treasury and not contest a popular incumbent. However, if by common consent, the incumbent had done a good job what is the logic of contesting a pointless election?

It will also be interesting to see if local authority members decide to establish any guidelines for the performance of their own powers for future presidential elections.

Elaine Byrne

A weak response to a journalist's brutal murder



Ireland needs to do more after Jamal Khashoggi's savage torture and execution

Jamal Khashoggi, a prominent journalist and critic of the Saudi government, was murdered in the Saudi Arabian consulate in Istanbul 26 days ago.

The following is a necessary reminder of what happened over the last month because the Irish government's response to date resembles that of thin watery soup devoid of substance.

The Kingdom's initial explanation for his death – that he was killed in a "fistfight" – was so absurd that even Donald Trump called it out as "the worst in the history of cover-ups". This public criticism by the American president is all the sharper given his public fawning over authoritarian regimes and devout admiration of the Saudi royal family and its extraordinary affluence.

Theresa May went as far as outright denunciation of Khashoggi's death. The British prime minister told MPs last week: "I am sure the whole House will join me in condemning the killing of Jamal Khashoggi in the strongest possible terms."

Her remarks echoed those of former foreign secretary Boris Johnson who made comparisons between Khashoggi's death and the Novichok nerve agent attack on Russian ex-spy Sergei Skripal and his daughter in Salisbury last March. In his Daily Telegraph column, Johnson described them as "state-sponsored plots" designed to "send a terrifying public warning" to opponents.

It is fair to say the Irish government's statements usually compare favourably to the utterances by Donald Trump, Boris Johnson or Brexit-bewildered Theresa May, particularly when it comes to international affairs. But has Tánaiste and Minister for Foreign Affairs Simon Coveney said enough about Khashoggi's death?

Ireland's response is lacklustre compared with our European neighbours. German chancellor Angela Merkel has not only strongly condemned the killing, but announced it would stop exporting arms to Saudi Arabia.

In contrast, the 19 statements and speeches listed on the Department of Foreign Affairs website

since the Washington Post columnist was killed do not contain a single reference to the high-profile Saudi insider turned critic of autocratic Crown Prince Mohammed bin Salman. Instead, Coveney appears to have largely washed his hands of the Khashoggi's blood-curdling slaughter.

The minister has "raised" the matter with the Saudi ambassador Nail bin Ahmed Al-Jubeir. Coveney expressed "the widespread shock caused by the case", but stuck rigidly to the line that "we still do not have all the facts of the case," urging a "thorough, credible and transparent investigation". The minister has not deviated from this line when questioned in the Dáil.

Contrast the condemnation expressed by Merkel and May to the minister's "concern". The only reference to Khashoggi on the Twitter feed of the minister or his department referred to the "concern" regarding the "disappearance" of Khashoggi.

The word "concern" does not quite appropriately express the horror of the leaked audio recording from inside the consulate which revealed that Khashoggi's fingers were cut off while he was held

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Jamal Khashoggi: is the Irish government's reluctance to condemn his murder linked to trade?

down before he was injected with a substance to silence him. He was then lifted onto a meeting table where he was beheaded, butchered and dismembered with a bone saw.

On Thursday, Saudi Arabia's public prosecutor was quoted in state media acknowledging that the journalist's murder was "premeditated". Agnes Callamard, the United Nations special rapporteur on extra-judicial, summary or arbitrary executions told reporters at UN headquarters last week that the Saudi journalist was the victim of an "extra-judicial execution" carried out by the Saudi state. He also said the perpetrators "are high enough to represent the state".

Why does the response by Ireland matter in the grand scheme of things? It sends a message that the brutal execution of journalists does not deserve condemnation, even those with a 1.7 million-strong Twitter following and a byline in one of the most influential newspapers in the world.

It suggests that the Irish government has neglected to condemn Khashoggi's murder perhaps

because of our trade links to Saudi Arabia. The 2017 annual report of the Arab-Irish Chamber of Commerce records that Irish merchandise exports to the Kingdom in 2016 stood at €820 million, making Saudi Arabia Ireland's largest export market in the Arab world. Indeed, this export relationship is by far the largest market for Ireland in this region of the world. The combined Irish exports to the UAE, Egypt, Kuwait and Lebanon do not rival those to Saudi Arabia. That trade will significantly increase following a recently signed agreement which will enable Saudi Arabia to enjoy enhanced access to Irish beef.

In his last ever column for the Washington Post, published after his brutal death, Khashoggi wrote: "Arab governments have been given free rein to continue silencing the media at an increasing rate."

Ireland is a small country on the international stage. That does not give absolutism to Simon Coveney for his failure to categorically condemn the murder of a journalist.

Colin Murphy

Peter Casey may have done Irish politics a service



By exposing ugly fissures in Irish society around Travellers and those on welfare, prejudice may become more visible and easier to fight

It was the worst election campaign in living memory, uninspired and dispiriting. The debates were tedious, the candidates tetchy, the issues mostly petty.

But if you thought that was bad, imagine what it would have been like without Peter Casey.

Casey was a loose cannon: he provoked a useful questioning of Michael D Higgins's use of presidential resources, but his allegations were scattergun and often unsourced. He appeared refreshingly authentic, in that his speech was free and relatively unfiltered, but this freed him to make comments on Travellers that were ignorant and ugly.

For the media, Casey brought the whiff of danger that comes when somebody unpredictable, untrained and relatively uncensored enters public life. His irascibility provided a vital counterpoint to the tone of pained self-importance that pervaded the rest of the campaign. Like him or loathe him, he made for compelling watching. In short, he was entertaining.

This goes to the heart of a complex challenge that faces advanced liberal democracies. Politics, at root, is about two issues: security and the distribution of resources. When peace means the first is largely settled, and wealth makes the second less contentious, people lose interest.

Party membership and affiliation drop. Voter turnout drops. Politics becomes more technocratic. That makes it both more boring and more aloof. This drives a vicious circle. Turnout drops further.

When this happens, the system gets saggy: policy may get more sophisticated, but the consensus underlying it (a consensus of both ideology and of the rules of the game) gets complacent. That makes it vulnerable.

Elsewhere, this vulnerability has been exposed: liberalism is buckling, illiberal and sometimes anti-democratic forces are in the ascendant. Ireland has replicated the first half of this equation: falling party affiliation and voter turnout, increasing

fragmentation of politics, low trust in institutions. It has not replicated the second half: no force has yet emerged that poses a significant challenge to the liberal, social-democratic consensus. But we are hardly immune.

If politics is viewed merely as entertainment, it will be captured by people who are primarily entertainers. Trump's first success was to turn US politics into a reality TV show, and then he won the show. But if politics is not at all entertaining, it will be captured by technocrats, and lose democratic legitimacy. The challenge liberal democrats face – in the media as in politics – is to steer a course between these two dangers, animating political debate without irretrievably cheapening it.

In Una Mullally's oral history of the marriage equality movement, in the Name of Love, she quotes the journalist Diarmuid Doyle: "the media's role, as it always is, is to find a row, encourage the row, report on the row, and then move on to the next row." The role of politics is to provide the rows.

Ideally, those rows will be of substance. They will illuminate the core issues facing society. Many of the rows in this campaign seemed trivial and confected (none more so than the one over participation in the debates), but the two key rows that Casey sparked, on Traveller identity and on welfare, are deep fissures in Irish society.

I disagree with him on both issues. I'd prefer that they were settled. But they're not. Given that, better that they be aired than ignored. Better to know where Irish opinion lies on them than be surprised by it in an election where more is at stake. Better to win the argument than simply succeed in suppressing it (as was the implicit intent of those who called for Casey to withdraw from the campaign).

There is a problem with this perspective, though: it gives a licence to people like Casey to offend others. Instead of defending the right of Travellers to not have to listen to bigotry or



Peter Casey: the challenge is to prove him wrong

ignorant stereotyping, it risks giving that bigotry oxygen.

This, I think, is the lesser evil. A political battle was fought to win recognition for Traveller ethnicity. But the wider battle to win popular recognition and respect for Traveller culture and rights is ongoing. That battle won't be won by liberals telling people what they can't say: it will only be won by hearing what opponents say and countering it.

Casey was accused of playing the "Trump card": of deliberately exploiting prejudice (against Travellers and welfare recipients) to create a wedge between a liberal elite and middle Ireland. But it was a different facet of Trumpism that Casey primarily brought to this campaign: Trump's ability to speak without fear of censure and his apparent willingness to say freely what he thinks.

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There will be a Casey effect now. Some politicians will conclude that playing the Trump card works

This is something that western politics now craves. Boris Johnson has it. Despite the media narrative that he is obsessed with spin, Leo Varadkar has something of it too – which explains his unusually high personal appeal.

There will be a Casey effect now. Some politicians will conclude that playing the Trump card works, and will set out to target vulnerable groups. (I don't think Casey did this, at least initially: he stumbled into his comments on Travellers 30 minutes into a 40-minute podcast; he was improvising, not strategic.)

Others will conclude that they should simply feel freer to say what they think, and damn the begrudgers.

This could lead to prejudice in Irish society becoming more visible. That may be ugly, but it may also make it easier to fight. It is easy, of course, for me to say this; but it's what Sinn Féin's Pádraig Mac Lochlainn, himself from a Traveller background, also said of Casey: "He may have done us a service," Mac Lochlainn told the Irish Times.

And it could lead to political debate becoming both more honest and more reflective of what ordinary people think – which could lead to greater levels of engagement.

It could also, of course, catalyse a conservative backlash against liberal elites, minority rights and "political correctness gone mad". But that's the danger of democracy: sometimes you lose the arguments. The stakes are high. Peter Casey is a valuable reminder. The challenge is not to shut him up or shout him down; the challenge is to prove him wrong.

Comment

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The 'bulletproof' border backstop is making a no-deal Brexit more likely



Colin Murphy

Both sides are standing on principle: the British on the integrity and indivisibility of the Union, Brussels on the integrity and indivisibility of the single market

When we talk about the achievement of peace in the North, we still talk about the Peace Process – not simply about the Peace.

This is revealing: though the aim was lasting peace, the method was to devise a process that could achieve peace in the short-term while suspending points of intractable conflict for tackling later in the process.

Twenty years on from the supposed end-point, the Good Friday Agreement, the process is still ongoing. Some of those issues are still intractable, but the peace has lasted.

Some saw the Peace Process as a dishonesty, believing that the “process” was essentially a bluff, a charade to allow both sides to dissemble on points of principle and make sordid compromises.

There was some truth to that. But the process was its own justification: it worked.

When we talk about Brexit, we are talking about an end state, not a process: Britain will exit the European Union, definitively, on March 29, 2019.

This is a problem. Because the conflicting visions of what that end state should entail are getting in the way of the process of negotiation intended to achieve it.

The great paradox of the Brexit negotiations at present is that the negotiators are tasked with agreeing on an end-point to be arrived at if their process fails.

This is the “backstop”: the baseline agreement to keep the Irish border invisible, no matter what. Last December, in the EU-UK Joint Report, Britain agreed that, failing an overarching agreement on trade, it would maintain full alignment with EU trade rules that “support North-South cooperation, the all-island economy and the protection of the 1998 Agreement”.

Leo Varadkar called this a “bulletproof” and “cast iron” commitment that there would be no hard border. But it was immediately apparent that this was not the case – both from the

text of the document, which was contradictory (elsewhere, it said “nothing is agreed until everything is agreed”), and from the reaction of Brexiters, whose interpretation diverged wildly from Varadkar’s.

Brussels has insisted that the backstop must be codified within the withdrawal agreement; otherwise, there will be no withdrawal agreement, no transition, and no future trade deal – a no deal Brexit. This is the “most difficult” problem the negotiators face, Michel Barnier has repeatedly said.

The British have proposed a backstop that would effectively see the entire UK remain in the customs union, pending the agreement of a future trade deal that would preclude the need for an Irish land or sea border. Brussels has rejected this, and proposed a backstop that would effectively see a customs border in the Irish sea.

On the face of it, these positions are irreconcilable. Both sides are standing on principle: the British on the principle of the integrity and indivisibility of

the United Kingdom; Brussels on the integrity and indivisibility of its single market.

On Friday in Belfast, Theresa May reiterated that the UK could never accept “such a threat to its constitutional integrity”.

In Brussels, meanwhile, Michael Barnier gave a measured response to May’s White Paper: he welcomed the opening up of a “space for constructive discussion” and lauded a “breakthrough” on fundamental rights and the role of the European Court of Justice, but was sceptical on the customs proposal, querying whether it was “legally feasible”.

But he reiterated that what is most urgent is the backstop, “an all-weather insurance policy” that will “protect Ireland and Northern Ireland against the consequences of Brexit”.

So there has been cautious progress in the negotiations – progress that boosts the chances of a soft Brexit, which is how Ireland will best be protected. But the sticking point remains the very thing the EU intends will protect Ireland – the backstop.

And yet, if the negotiations succeed, the backstop won’t be needed. And if the negotiations go badly for Theresa May, it is precisely those who were most skeptical about the backstop (as Boris Johnson was again last week in his resignation speech) who will likely find themselves in charge of implementing it – or not.

Or in other words: in the best-case scenario, the backstop won’t be needed; in the worst-case scenario, the backstop won’t be honoured.

For all that, the idea of the backstop has, to this point, proved effective: it has driven the Irish border up the negotiations agenda, drawing repeated assertions from London and Brussels that they intend to protect the border status quo and forcing London to make significant concessions on trade, edging them towards a softer Brexit.

So the backstop idea has served a purpose. But continuing to press for it to be codified in the withdrawal agreement, absent agreement on the future relationship, is now jeopardising the entire process. Perversely, the backstop could thus be the thing that makes a harder border inevitable.



The backstop is now playing an ambiguous role

There are two salutary lessons from the Peace Process here. The most significant is that of “process”.

Brussels designed the sequencing of the Brexit negotiations to force early concessions from London – and, arguably, to humiliate them. With agreement reached early that movement of people across the Irish border would remain unimpeded, the problematic aspect of the border became cross-border trade. The idea that this could be adequately resolved before resolving the future trade relationship is an absurdity.

The process thus was designed to achieve a particular, one-sided outcome, rather than to build confidence in the process itself. A healthier process would focus on achieving agreement where possible, and postpone the seemingly intractable issues till later. By then, they may have disappeared, or may no longer seem so intractable.

The second lesson from the Peace Process is that of Articles 2 and 3. Those articles were rooted in an honourable view of the origins of the Northern conflict and were integral to Southern nationalism. But they became an obstacle to the resolution of that conflict: their very presence thus made the outcome they sought – a peaceful reunification – all the more unlikely.

The backstop is now playing an analogous role. It is rooted in an honourable defence of all-island interests and in the protection of the legacy of the Peace Process. But the greatest threat to those interests and that legacy lies in a no-deal Brexit – and the backstop is now making that more likely.

Quotes of the week



“My job is to be practical and realistic. Given that there is only €800 million to spend and there is a ratio of 2:1 and I don’t have first dibs on everything.”

Minister for Social Protection **Regina Doherty** at a pre-budget forum



“Today, I will have to tell my children, along with all the children of Palestinian Arab towns . . . that the state has declared that it does not want us here.”

Ayman Odeh, the head of the Joint List, a political alliance of four Arab-dominated parties in Israel



“I want to see the assembly and the executive back, taking decisions on behalf of all of the people of Northern Ireland. They deserve no less.”

British prime minister **Theresa May** speaking in Belfast



“Who can admit to human frailty, who can apologise, mean it, and move on, because that is what real life is all about.”

DUP MP Ian Paisley apologises for his failure to declare two luxury holidays paid for by the Sri Lankan government



“I’m not doing this for politics. I’m doing this to do this right thing for our country.”

US president Donald Trump defends his threat to impose tariffs on all \$500 billion-worth of imports from China