

PEDALS, POLITICS AND SELF PARODY

Michael O'Leary hasn't lost his sting



Michael O'Leary: 'I'm a parody of myself. The parody is always there'
Picture: Bloomberg

The Ryanair boss says that Dublin is being ruined by cycling-lobby 'headbangers', that climate change is bunk, and that the market will solve most problems



Barry J Whyte

It's hard, when talking to Michael O'Leary, not to think of the fable of the scorpion and the frog. It's a well-known tale. The scorpion asks the frog for a lift across the river. The frog, understandably cautious, asks for a promise he won't get stung. The scorpion duly promises, but half way across he stings the frog anyway. The frog, as he sinks into the water, demands an explanation, since they're now both going to perish. In most tellings of the story, the scorpion apologises, offering only that "it's my nature".

It's been more than three years since Ryanair launched its Always Getting Better programme – the unveiling of a new 'warm and fuzzy' version of the airline and its chief executive – but O'Leary can still pack a sting. Consider his views on cyclists, which he delivered at length to *The Sunday Business Post* last week.

"We are just fucking up this city. It's run by a bunch of cyclists in Dublin Corporation who live close to the city centre. When you look at what we're doing with the planning of the roads, we're making it less and less tolerable for people to drive around the city," he says.

"Cars pay for themselves," he continues. "Cyclists pay for nothing."

It's a prelude to a lengthy and explosive tirade that is classic O'Leary, containing measures of provocation, free-market conviction, impatient rhetoric, and a few nuggets of genuine wisdom in among the blaviating.

At the core of his rant is what sounds like an awful idea – stripping away the planning restrictions on high-rise developments in the city centre to allow for loads of multi-storey car parks. But he has a rationale for it, he says.

"Look at Merrion Square. Why do we allow cars to park all around Merrion Square? [And] you're still allowing cars to park around Stephen's Green while you're fucking it up with the Luas and whatever else.

"Why not put a multi-storey car park under Stephen's Green? It pays for itself,

generates enormous revenue for Dublin Corporation. And you get all the parking [off the streets]."

Such an idea would create an extra lane on most Dublin city streets, he says. And while that might well be used for the cycle lanes that he clearly detests, it would at least remove a chunk of congestion from the city centre.

"But you're now going to fuck up the quays, you're going to pedestrianise the plaza outside Trinity College... how the fuck does anyone get around this town any more?" he says.

I suggest that it provides an aesthetic improvement that makes for a more appealing city.

"People are not interested in aesthetic improvements; they want to live in a city that works for them," O'Leary says.

"We should have sensible solutions here that are not fucking this paranoia here [sic] about looking after fucking cyclists because [off] a couple of headbangers in Dublin fucking Corporation. I'd shoot them all."

He taps his watch. "Right, we're done," he says, before striding out of the room.

If Ryanair's Always Getting Better programme hasn't succeeded entirely in sanding off O'Leary's rough edges, it has proved a masterstroke for the airline.

The company's share price has soared in the last three years, while its profits have shot ever higher. In 2014, the company had €522 million in profits; in 2015 it was €866.7 million; in 2016 that had leapt 43 per cent to more than €1.24 billion; and in next week's results, the company is expected to have profits of around €1.35 billion.

It has also seen the airline reverse previous articles of commercial faith for the low-fares model – such as introducing allocated seating, allowing two carry-on bags, while also flying to Frankfurt-Main despite once promising it never would – all with the aim of luring flyers who would happily pay more for the perception of comfort.

The company is driving that even further. Last week, O'Leary announced that the company would be offering flight connections – which it has never done before, preferring a simple point-to-point model – and that it would be using Rome Fiumicino as a regional hub in Europe, while also negotiating the possibility for transatlantic destinations through partnerships with long-haul airlines.

So what does the future hold for Ryanair?

In spite of O'Leary's short-term analysis of Brexit – he said during a press conference last week that "there's a real possibility that there may not be a framework for flights between the EU and Britain, in which case we're all back on boats for a period of weeks or months" – he insists that Britain's departure from the EU will not affect the airline's growth trajectory.

"Can we grow the fleet to 500 aircraft odd in the next eight years? Yes. Do we know where those craft will be allocated? Yes. And therefore can we grow to 200 million passengers a year? Absolutely yes. And everyone else will just have to get out of the way," he says.

However, that aggressive approach to growth does come with its risks, he concedes.

"There have been years, maybe one out of every four, or one out of every five, that some other idiot is out there splurging on capacity [meaning buying aircraft] and there's too much capacity growth in the system in Europe," he says, which can have an impact on Ryanair's bottom line.

"There was a short-term pinch in our profits last year. Fares fell by nearly double digits, nearly 10 per cent," he says. "This year's profits will be up about 5 or 6 per cent in the full year, probably the slowest profit growth we've had for the



Michael O'Leary on:

... taking a government ministry

"I have no desire to get into fucking politics in one of the government ministries. I wouldn't survive a week in a government ministry because I don't have the patience to be telling people what they want to hear. I'd be telling them the truth instead."

... semi-state chief executives

"If you're getting paid €350,000 a year, you're well paid. It's not some public service. Some of the public sector companies in this country offer you a phenomenal platform for moving into taking up other opportunities: you put yourself in a shop window."

... Brexit

"Brexit won't affect our growth. It may affect where we grow – we may have to grow more in Europe than in Britain. But will we hit all those passenger targets – 200 million passengers by 2024? Yes, we will."

... social media mistakes

"We will still make mistakes. Hopefully, we will have enough cop-on to say that wasn't right, that wasn't the right tone, that didn't go down well, don't do it again, let's learn from the mistakes."

... the European Union

"I'm foursquare in favour of the single market, [but] I oppose the political tyranny of Brussels."

... Dublin city centre

"I'm entirely in favour of the centre of Dublin shooting upwards. There's planning restrictions all over the place. You can't build anything in this town, instead of in the docklands, that's higher than six or seven storeys. Six or seven storeys is not going to fix our problem here."

last five or six years."

But they're still outstripping their competitors, he says.

"EasyJet's profits declined last year by about 25 or 30 per cent. Ours only grew by 6 per cent – so we're doing better than anyone else."

O'Leary and politics

Perhaps unsurprisingly, politics, both Irish and British, have been on O'Leary's mind lately. He has been a vocal critic of Brexit, while at last week's press conference he gave a pungent analysis of the Fine Gael leadership contest.

So precisely what are O'Leary's politics?

He has spoken at both Fine Gael and Fianna Fáil fundraisers in the past, but when it comes to the leadership contest between Leo Varadkar and Simon Coveney, he favours Varadkar – though he'd prefer either to Micheál Martin because, he says, Martin "was driving the bus when they drove it over the cliff".

"What I don't want to see is the Shinners getting any toehold here," he says, "because frankly, their economic policies have failed and they're being practised at the moment in North Korea with no success whatsoever."

That rather neatly outlines his political spectrum because, in truth, if O'Leary has any political god it's the free market. On Europe, for example, he's in favour of the single market, but trenchantly opposed to political integration.

"I'm foursquare in favour of the single market," he says. "Deregulation, liberalisation and removing state impediments to competition and consumer choice."

"I was active in the campaigns here on the second Maastricht referendum and the second Nice referendum, because I believe that the single market has been one of the revolutions of my life. We also campaigned actively against Brexit."

"We should continue to oppose further political union and be aggressive advocates of the single market. I don't see any great contradiction there."

Even on a topic such as climate change – denial of which can be regarded by some as the same kind of toxic anti-scientific outlook as that held by anti-vaccination advocates – O'Leary is, to put it mildly, unrepentant.

"Climate change is fucking rubbish because it used to be global warming and now – because they can't stand up global warming any more, because there hasn't been any rise in temperatures in mean terms for the last ten years – they now talk about climate change."

But scratch a little harder, and it's less the belief in the threat to the polar ice caps or the damage to equatorial regions or the flooding of coastal areas that bothers him than the manner in which governments across the world have chosen to address the problem.

"There's this assumption that if we do something about carbon consumption, or taxing carbon consumption, the climate will stop changing," he says. "It's complete and utter rubbish."

The cap-and-trade system, the subsidising of renewables, the perception (in O'Leary's mind) of a "completely bloody bogus industry created around this climate change", and what he calls "the inference that if we only taxed someone and we stop consuming carbon climate will stop changing" – they all add up to unwarranted government intervention in his view.

In the end, the market will solve carbon consumption," he says.

"We will adapt. The market will solve most things. The market does need to be regulated in the interests of social protection, but you allow competition in the market to regulate these things," he says.

And just how much social protection is required? In effect, just how much should the state step in?

"As little as humanly possible, so that you don't have wars, pestilence or dis-

crimination against genders, peoples, or races," O'Leary says. "Other than that, let the market fix it and the market will fix it."

Which sounds rather like the sort of anti-regulation, pro-market policies that got Donald Trump elected to the White House, and which have plenty of currency around the world despite Trump's own rapidly plummeting stock.

Does O'Leary himself have any political aspirations? Would he take a government ministry if he was offered it, for example?

"No!" he exclaims. "I'm running a successful airline. I have no desire to get into fucking politics in one of the government ministries. I wouldn't survive a week in a government ministry because I don't have the patience to be telling people what they want to hear. I'd be telling them the truth instead."

Ultimately, O'Leary is well aware of how the public see him.

"Look, I'm a parody of myself, whatever it is, because my function here, apart from driving growth in the business, is to be the PR extreme of whatever message we're pushing at that moment," he says. "So, for many years, it was: 'Shut up, sit down, we don't care, we're cheaper fares than anyone else, fuck off.' And I'd take that to its logical conclusion."

So how do we know where the parody ends and the real Michael O'Leary begins?

"The parody is always there," he says. "I would like to hope the real Michael O'Leary is somewhere in the middle, with a bit of common sense, doing common sense things for the business."

That doesn't mean he doesn't make mistakes, he concedes, and there have been a couple in the last year.

There was, for example, the ad that mocked Aer Lingus at the time it was revealed that several people – smuggling networks had been in operation through Dublin airport using the airline's catering trucks.

"Immigrants fly Aer Lingus," the Ryanair social media team tweeted, to great criticism at the time.

O'Leary points out that he didn't come up with the tweet – though he did chide some of the critics for their lack of a sense of humour, while accusing others of being "snowflakes" – but he says that he does encourage his team to take risks.

Then there was his caustic criticism of some of his own investors – or, more accurately, past investors – as "idiots" over their qualms about Ryanair's refusal to enter into collective bargaining with trade unions in Denmark.

"Again, there's an example of me making a mistake. I should've been more temperate in the way I respond to that, but sometimes you get frustrated," he says.

"The difficulty is that you're on the phone to someone saying: 'Ah, these are a bunch of idiots' and it's a throw-away comment, but it then becomes the corporate response: 'Ryanair says these shareholders are idiots.' And they're not idiots, they're just misinformed."

He points out that the company does indeed have collective bargaining, just not with trade unions.

"But that shouldn't be said in an impatient, intemperate way that just calls them all idiots," he says. "So I still make mistakes."

"You're always inclined to go with what is the quick quip which, most of the time, results in reasonable coverage. And occasionally you get it wrong. Calling people idiots is a bit of the old Michael O'Leary and the old Ryanair."

He pauses to take a drink of coffee, before flashing a mischievous grin. "I should've eliminated that from my personal discourse," he says.

But, as he doesn't need to explain, it is his nature.

