


Ireland's Experience in Social Policy Dialogue



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Professor Peadar Kirby
University of Limerick

Introduction



- Ireland's economic boom from 1995-2007 was known as the 'Celtic Tiger'
 - Drew international attention to social policy dialogue known as 'social partnership'
- This talk:
 - Outlines nature of social partnership
 - Reports debates on its role in the boom
 - Evaluates it in the light of Ireland's economic collapse in 2008

'Social partnership' I



- Ireland's social partnership dates back to 1987 when country was emerging from a decade of recession:
 - New government brought employers, trade unions and farmers' leaders together to negotiate a three-year 'Programme of National Recovery'
 - Helped generate a consensus on measures needed to return to growth
- Laid the foundations for its institutionalisation

'Social partnership' II



- National level:
 - Agreements every three years on national wage rises and principal areas of economic and social policy
 - Informed by an overview of Ireland's economic and social situation prepared by the National Economic and Social Council (NESC: see www.nesc.ie)
 - In 1996, Community and Voluntary sector became a social partner
 - In 2008, Environmental NGOs became a social partner

'Social partnership' III



- Principle of 'partnership' extended throughout policy-making:
 - At regional and local level in city and county enterprise boards
 - In disadvantaged communities through Area-based Partnership Companies
 - On special issues like drugs or childcare through commissions representing the social partners

'Social partnership' IV



- Strong commitment by successive governments to principle of partnership:
 - Widely credited with underpinning economic success through moderating wage claims and reducing strikes
- Some unions and voluntary groups did leave in April 2002 but state officials then refused any dialogue with them
 - Most returned later to the institutions of social partnership

Debates I



- Seen by supporters as a new form of ‘flexible network governance’ or a ‘partnership state’
 - Laying the foundations for a problem-solving consensus on economic and social issues:
 - Ideology left aside so that problems can be solved
 - ‘An important network of policy formation and influence’ (Hardiman, 2006)
- Initially promoted as a new form of ‘participative democracy’ overcoming the limitations of representative democracy

Debates II



- However, criticisms of the process grew
- Three principal ones:
 - 1) Imposed an increasingly neo-liberal policy regime in which social issues were marginal
 - Taylor (2005) identified a shift from 1990-93 programme to 1994-96 programme to a more conservative economic outlook
 - Social democratic ethos abandoned
 - Roche and Cradden (2003) saw it as a form of 'competitive corporatism' emphasising national competitiveness and flexible labour conditions over social provision and welfare

Debates III



2) Façade of partnership hid elite nature of policy making:

- Unions and Community and Voluntary sector found they had very limited influence
- Murphy (2006) identified fact that social policy is made among a very small epistemic community of politicians, civil servants and policy experts
- Frustration growing that the process offered far more to the business sector than to social sectors
 - Being used to discipline and co-opt social sectors who might otherwise protest

Debates IV



3) Democracy being undermined:

- Ó Cinnéide (1998) argued partnership handed power from elected representatives to unelected officials of the state and of partnership bodies
- Allowed a disproportionate influence by powerful vested interests through state officials and business groups
- Attempts to develop forms of deliberative democracy 'decidedly lacklustre' (Teague and Donaghey, 2009)

Testing social partnership I



- In 2007, Sørensen said Irish model had not yet faced a test, all plain sailing to now:
 - First real test with collapse in public finances in late 2008:
 - For first time partnership talks failed to agree a way forward in February 2009
 - Government abandoned agreement reached in 2008
 - Unions want government to return to talks but refuse the scale of cutbacks seen as necessary to bridge huge budget deficit
 - Social partnership seems now to be unable to generate a consensus

Testing social partnership II



- Discourse has shifted dramatically:
 - During Celtic Tiger, social partnership widely seen as key ingredient of success
 - Now widely seen as generating a cosy consensus that allowed spending and wage costs spiral out of control
 - Meanwhile, it was unable to avoid the reckless fuelling by government policy and the banks of a speculative property bubble

Testing social partnership III



- Outcomes are also being re-evaluated:
 - Ireland among the most unequal countries in developed world
 - Welfare state and social provision lag far behind Ireland's level of development
 - 'Europe's most anorexic welfare state' (Boyle, 2005)
 - Even necessary infrastructural investments like broadband insufficient

Conclusions



- Key question:
 - Was social partnership a cause or a consequence of Ireland's boom?
- Debates rage on whether its influence on policy making, on outcomes, on sustainable growth have been positive or negative
- View among trade union and civil society leaders largely negative
- Despite positive rhetoric, government actions increasingly undermine it