

Item One of Two:

The Impact of Populism on the implementation of Ireland 2040.

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It is apparent that implementation of the National Spatial Strategy 2002 was not a success. Much of the development took place in low density developments on the periphery of villages within commuting distance of major conurbations. Basically, people used their own initiative to create a life style that was in accordance with their personal wishes and was affordable. In many cases this involved trading longer commuting times for more affordable and larger housing units. The resulting developments occurred in many locations with an under-developed social infrastructure and insufficient density of population to support a practical public transport network.

Obviously, the recession did not help, but the divergence of development patterns from those planned, demonstrated that the public in general do not buy-in to the essential logic of densification of housing and services, enabling the development of strong public transport network. This attitude has, at least in part, been prompted by the housing deficit in growth centres and by the low level of investment in high capacity public transport during the years of the recession. The lesson from NSS 2002 seems to be that where plans are at variance with the general populations' requirement for affordable accommodation, they will move to locations where the best possible mix of life style and work is possible.

To be credible the social concepts that will drive Plan 2040 need to be discussed with and sold to the public in a manner and scale not previously undertaken. Logic, and the perceived public good, will not be a sufficient basis for selling the concepts. In the recent infrastructure plans for extending the electrical transition network, solid engineering logic was countered with alternative facts, and emotion based arguments. Similar responses can be expected to changes in policy that will underpin Plan 2040, such as housing densification, investment in public transport focused on conurbations, the curtailment of development in areas with poor infrastructure, and some prioritisation for investment in areas producing most of the wealth that underpins the social cohesion of the country.

It is difficult to envisage that the advantages of the new policies can be conveyed without a tactic based on a balanced and integrated process of phasing the delivery of developments proposed under the Plan. In other words, the roads & bus corridors, together with the schools, will be completed at the same time as housing. Doing it in a non-integrated fashion will prompt a return to the dynamics that undermined NSS 2002.

A program for marketing the policies underpinning Plan 2040 needs to be an integral part of that Plan 2040 development process, executed by people with an understanding of human decision making and opinion formation. This process should commence during the development phase of the Plan. There are strongly held societal norms and expectations to be changed if this Plan is to be successful.

Item Two of Two:

Understanding Minimum Investment Required to Maintain Future Economic Growth.

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Ireland is facing an era of great change, originating from issues external to the country. Brexit will likely cause trouble for indigenous exporters', logistics through the UK will be more complex, the differential on corporate tax rates will probably be reduced by the EU's combined consolidated corporation tax base (CCCTB) reforms, and the US Presidents' *America First* policy and widespread tax reform may have a significant impact on the 70% of pharma national production that is exported to the US.

We are increasingly dependent on service companies. Most are successful, but the services and pharma industries are characterised by frequent consolidations and rationalisations. Also, new technologies emerge disrupting established companies. Maintaining economic growth needs continuing inward investment to replace losses. With some remaining advantages in tax differentials, a well-educated flexible workforce, coupled with a world class competitive infrastructure in the conurbations, (the preferred locations for most inward investment), Ireland would be able to compete successfully for inward investment. However, there are known extensive deficits in Ireland's infrastructure, including in urban commuting, social infrastructure, and water systems.

For instance, the solutions within the Dublin conurbation will be expensive. There is some minimum level of investment needed to correct emerging deficiencies and improve the competitiveness of the infrastructure to support the attraction and economic growth of fast moving industries. The total cost of what is required is probably unaffordable, but there will be consequence of under investing in the tightening market for attracting and developing investment.

As part of the development work for the Plan 2040, a study on the investment needed to deliver a targeted level of economic growth should be undertaken. In other words, a study of the infrastructure that would have to be in place at a point in time to underpin a specific level of economic growth. This does not imply that all the resulting investment could be afforded, but any rational modelling process should identify the key infrastructure items that will be required over a long horizon, especially those whose lead-time would indicate that some upfront investment cannot be avoided in the short-term.

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