

Speech by Taoiseach, Mr Brian Cowen, T.D. at the Global Irish Economic Forum in Farmleigh House on Friday, 18 September 2009 at 2.00pm

Introduction

A Chairde Gael.

Cuirim cead míle fáilte romhaimh anseo go Farmleigh inniu. Do chuid agaibh is teacht abhaile atá i gceist, do dhaoine eile is cuairt ar tír bhur sinsir. Ach dúinn uilig is teacht le cheile ata anseo do chlann mór na hÉireann.

I am honoured to welcome all of you to the inaugural Global Irish Economic Forum. The time and effort you have taken to attend the Forum is deeply appreciated by me personally, and by the Government.

This is a unique occasion. While many of you have a longstanding history of meeting and engaging with the Irish Government, this is the first occasion that the most influential and successful members of our global community have assembled in one place and with a common purpose.

I hope our discussions will lead to a number of practical outcomes to help with the current economic challenge. However, they should also take a longer term view of the relationship between Ireland and its diaspora and how we can deliver sustainable progress in the years to come.

There is, of course, no exclusive definition of what it means to be Irish. Nor should there be. We are a country of just over 4 million people yet millions more around the world claim Irish descent. We are proud of our diaspora and view all those who have an affinity with our island as a great resource.

Time and again, that resource has paid dividends in Ireland's past. In recent times, we have all seen how the global Irish played a critical role in the peace process in Northern Ireland, either as individuals or as members of flagship organisations, such as the Ireland Funds.

It is entirely appropriate that one of the consequences of the Good Friday Agreement, which sets in train a new era of peace on this island, was the insertion in Article 2 of the Irish Constitution of the statement that: "*the Irish nation cherishes its special affinity with people of Irish ancestry living abroad who share its cultural identity and heritage*". This weekend we give renewed impetus to this assertion.

All of our global community has played – and must continue to play - an important role in the economic development of this island.

I have no doubt that decisions made by leading multinationals to invest in Ireland are made on the basis of a thorough business case analysis. Ireland has long been and remains an attractive place to invest and do business. And we intend to keep it that way. That is why the Government, the main opposition parties, the main business groupings, our trade union movement organisations and the heads of lots of individual multinational companies have

made it clear our job of attracting and securing inward investment – and the employment that it supports – will be made much more difficult if we fail to endorse the Lisbon Treaty.

Current Crisis

All of you here know about our current economic problems which have been the source of considerable comment and speculation overseas.

Ireland has been profoundly affected by the global financial crisis over the past 12 months. As a small, open economy which has to earn its living by selling to world markets, we have been more affected than most.

Some of our problems are also domestic in origin – such as a steep decline in the property market, a banking crisis and a serious deterioration in the public finances. The impact on the real economy has been severe.

As you know, the Government is taking resolute action to respond to the crisis.

And we gather at a time when Ireland will soon make a number of defining choices. The referendum on the Lisbon Treaty, the establishment of a National Asset Management Agency and the framing of the next Budget are three immense and immediate challenges that we must positively resolve. We must do so, so that Ireland can position ourselves to gain advantage as the global upturn gains momentum.

We are a small, open economy and to thrive we must trade internationally. 2 out of every 3 jobs in this country depend on exports to the EU. We must ratify this referendum for jobs, for exports, for foreign direct investment. This will help underpin our economic recovery.

We are establishing a National Asset Management Agency to remove both good and bad property and development loans from the balance sheets of Irish banks. This will allow the banks return to their normal business of lending for productive investment. This too will help provide a stable basis for economic recovery.

We are committed to reducing the public deficit to 3% of GDP by end-2013. We have already made significant corrections in 2009, including the imposition of a pension levy on public service wages of 7.5% on average. We will take the further difficult decisions required next December in the 2010 Budget. And this necessary budgetary action will also help deliver economic recovery.

But we also must re-position Ireland for the future. The agenda this weekend is designed to seek advice on developments and initiatives abroad which can ensure Ireland is prepared for the global upturn.

We will be considering issues ranging from image to innovation, and from buoyancy to branding. We must remind ourselves that it is not just the actions we take to prepare ourselves that are important, it is our attitude as well. We must act with hope rather than despair, courage rather than fear, and we must look ahead rather than behind.

The Irish brand forms the basis for part of our deliberations. I believe that being Irish holds a distinct and intrinsic value. People know us. Our country, her landscape and her culture are

known the world over. We must develop and renovate that brand now and use it in order to give us a competitive advantage in a globalised world. We, ourselves, must portray the positives that others see in us.

Building Ireland's Smart Economy

People say “the best way to predict the future is to invent it”.

It is not good enough to survive this major global crisis. The lesson from severe global recessions in the past is that as well as weathering the economic storm, countries need to restructure their economies to target the next wave of economic growth.

We must reposition the Irish economy for the upturn. Ireland is one of the most open economies in the world. The future of our economy will depend on exports.

The Ireland we envisage for the future is a smart, high-value, export-led economy. It will have some of the world's leading research-intensive multinationals, a number of which will be Irish-owned.

It will have thousands of innovative small and medium enterprises.

These companies will be creating the products and services of tomorrow and providing high quality employment for our people.

The country will have smart, efficient and citizen-oriented public services.

It will be energy independent and have high-quality living environments with smart transport solutions.

That is the future that I want us to achieve.

In December, I published Ireland's Framework for Sustainable Economic Renewal. It sets out our agenda over the next few years of how we will build a Smart Economy. A Smart Economy is a high-productivity economy. We must think smarter, work smarter and be smarter – getting more for less across all sectors of the Irish economy, public and private.

Central to this is our vision of ‘Ireland as an Innovation Island’ – a country that is an attractive home for innovative multinationals as well as being an incubation environment for the best entrepreneurs at home, from Europe and further afield. But also a country where we are innovative right across the spectrum of society.

For centuries, Ireland has had a proud tradition of cultural innovation. We are known for our literature, our theatre, our art. But we are also now known for our innovation in science, technology and business.

We must harness the best asset Ireland has to offer – the talent and ingenuity of our people. We need to develop an enterprise culture from school children upwards and right through the universities and institutes and throughout our companies. It should be a reasonable aspiration of all children born in this country that they might, one day, have the opportunity to start their own business. That is what I am trying to achieve.

In the past, we have used one of Ireland's best attributes, our ability to be agile and to make quick decisions to get ahead of the game. We did that when establishing the International Financial Services Centre. We did that when setting out to become the European Headquarters for some of the world's best companies.

Building Ireland's Smart Economy sets out a blueprint of how we can ensure that we achieve such success again. But we need your help.

We need you to help us identify opportunities and to shape our strategies to take advantage of them -

- where are the new economic opportunities for Ireland?
- what must we do to take advantage of them?
- how can we best draw on the global Irish community to help us make this transformation?

We, the Government, are firmly in listening mode, and later this evening and tomorrow, we have convened working groups, each chaired by a Minister, where we are asking you to help us find ways to put Ireland in pole position in the new world economic order -

How do we create a 'European Silicon Valley' in Ireland. How do we attract the best talent to Ireland and support our home-grown talent?

How do we ensure we continue to be a magnet for high value inward investment?

How do we make the most of our natural resources and address the challenges faced by our food and agriculture sector?

How do we reposition 'Brand Ireland' to secure Ireland as a leading tourist destination?

How do we ensure our education system produces the thought leaders of the Smart Economy - fostering creativity, innovation, and lateral thinking?

What role can our fantastic cultural and artistic reservoir of rich heritage and contemporary talent play in developing our economy?

These topics and more will be deliberated over the next days.

Conclusion

In having these discussions and exchange of ideas, I just want to reiterate how much the Government values your presence here. We will be carefully listening to all the suggestions and views put forward and acting on what we hear.

I believe that this weekend is the start of an important new phase in our relationship with Irish people in leadership positions across the World. Thank you for coming, I hope the Forum is both enjoyable and useful to you and I look forward to talking to many of you individually during the next two days.

I wish you luck.

Go n-eiri libh.

ENDS