



Second Pan-European Conference
Standing Group on EU Politics
Bologna, 24-26 June 2004



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*Consensus and Institutional Capacity
in Irish Policymaking*

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Nigel Boyle

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Consensus and Institutional Capacity in Irish Policymaking: the “Irish Model” and active labor market policy 1987-2004

Nigel Boyle (nboyle@tcd.ie)

**Associate Professor of Political Studies, Pitzer College, Claremont, California.
Spring 2004 Visiting Research Fellow, The Policy Institute, Trinity College, Dublin.**

Paper for 2nd Pan-European Conference on EU Politics June 24-26 2004, Bologna, Italy.
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Abstract

The “Irish model” is flavor of the month. This paper argues that what is most distinctive about this model is not the form of social partnership, nor any grand paradigmatic shift in policy, but the institutional capacity of the Irish state. Within a newly consensual political culture the Irish state has, since 1987, been able to craft highly effective policy initiatives targeting the top, middle and bottom thirds of the Irish labor market respectively: the Institutes of Technology, which have produced cohorts of (often sub-degree) tertiary-level graduates for the export-oriented sector of the economy; a “Standards-Based Apprenticeship” system, that has dramatically raised the quantity and quality of skilled workers particularly in the non-traded private sector; and the “Community Employment” program that has kept the long-term unemployed and other marginalized groups connected to the labor market, reducing the number of “work-poor” households substantially. The Community Employment program also enabled the Irish state to address a wide range of social needs that an otherwise anorexic system of social protection could not address. Under the auspices of consensual social partnership a high-impact, low-cost system of governance developed. This system reflects the two major features of the Irish political system: a centralized state and clientelistic electoral politics. The peculiarity of this combination is one reason to question whether the Irish model can be imitated. A more important caveat arises from the fact that although the Irish state has been good at effecting “quick fixes” it has been incapable of addressing some of the more fundamental weaknesses in its systems of educational and social provision.

Consensus and Institutional Capacity in Irish Policymaking: the “Irish Model” and active labor market policy 1987-2004

The Spring 2004 Irish Presidency of the EU is providing another platform for advocates of an “Irish model” of social and economic policy to recommend that other EU countries, particularly the accession countries, pursue similar “competitiveness” policies. Ireland is deemed to have (a) made exceptionally good use of EU structural funding (b) successfully combined Anglo-American neo-liberal flexibilization with European, consensual social partnership and (c) represent a replicable model of governance for the Lisbon “competitiveness” agenda. Ireland now finds itself accorded “hero” status regarding the Lisbon agenda, and it has been identified as embodying a precocious form of the “Open Method of Coordination”. This paper questions the adulation Ireland has received by focusing on what is most distinctive about the Irish social and labor market model: the ability of the Irish state to respond rapidly, cheaply, and effectively to changing labor market needs.

The paper is based on analysis of the institutional basis of the Irish model in the area of active labor market policy: employment and training programs run by the state labor market agency and the vocational wing of tertiary education. That the Irish economic transformation owes a lot to EU influence, but this is largely in the form of an organizational and institutional reformation of policymaking rather than either fiscal or normative stimuli. What was most innovative and successful about the Irish model was not the policies pursued but the process through which policy was determined: it is the flexibility of the Irish state, rather than the flexibility of Irish labor markets, which was crucial to the dramatic turnaround in the Irish economy.

Two key aspects of the Irish governance model are examined. First, Irish social partnership

developed into a “problem solving” system of governance with mechanisms that were able to accommodate both a highly clientelistic political system and an hierarchical and centralized state. Second, the specific design of institutions and programs in Ireland allowed for a centrally-controlled implementation of policy through very flexible mechanisms.

In the first section of the paper the “Irish model” discourse is reviewed. In the second section of the paper the theoretical approach adopted in the paper is set out. In the empirical sections of the paper one institution, the Irish labor market agency FÁS (*An Foras Áiseanna Saothair*), and three specific policies closely associated with the success of the “Celtic tiger” are outlined: the Community Employment (CE) scheme; the introduction of the “Standards-Based Apprenticeship” system; and the expansion of the Institutes of Technology (I.T.’s). The I.T.’s provided the supply of technologically competent labor that was vital to accommodate the needs of the foreign direct investment that was flooding into Ireland in the 1990’s. The reformed apprenticeship system was crucial in supplying the skilled labor that fuelled the most dynamic domestic sectors of the economy such as construction. Community Employment not only reduced mass unemployment in the 1990’s, it maintained a connection to the labor market for disadvantaged and marginalized groups that helped counter the jobless household phenomenon¹. These three policies, the principal means by which the Irish state moulded the bottom, middle and top thirds of the Irish labor market, are outlined to illustrate a characteristically Irish form of governance.

The paper is based on comprehensive interview-based research² focused on the Irish labor market agency FÁS (*An Foras Áiseanna Saothair*) and related elite political and economic actors. The creation of FÁS as an all-encompassing labor market agency in 1987 represented the most concrete institutional instantiation of the Irish version of “social partnership”. Among those

interviewed are 15 FÁS officials, 5 ministers, 6 senior civil servants and 13 actors from the social partners. Permission to cite by name has not yet been sought for interviews conducted in 2003-4, though it has for an earlier round of interviews.

1. “Who is the fairest of them all?”: models discourses and Ireland on the catwalk.

There is a long history of political economies being deemed positive (“miracles”) or negative (“diseases”) models for others. Among small, open, “consensual” European economies the venerable Swedish model (in its original Rehn-Meidner form or recurring in subsequent incarnations) is the best known, although in the 1990’s the polder “Modell Nederland” came into vogue³. Models generate their own mythologies and entire literatures emerge to debate the relative importance of different factors in generating positive economic and social development. The “celtic tiger” literature is the latest such model.

That there is interest in the Irish model is not surprising given the astonishing⁴ economic transformation that has taken place in the last 20 years. The employment data indicate the extent of the boom. With minor cyclical variation the number of people in jobs in Ireland hovered at just over 1 million for the first 70 years of independence: half of all people born in Ireland 1922-1972 emigrated⁵. Between 1991 and 2001 the number of jobs rose to from 1.1 to 1.8 million⁶. Despite the slowdown in the Irish economy in 2002-3 employment growth has continued and it is now expected that the Irish labor market will consist of 2 million jobs by 2010⁷. This success, in a country that for 150 years was a model only for chronic underdevelopment punctuated by social/demographic cataclysms, has understandably given rise to celebration, adulation, even hubris.

(Figure 1 here).

The “Lisbon Agenda” consists of both a program for competitiveness “to make the EU the most competitive and dynamic knowledge-based economy in the world” by 2010 and a new “gouvernement économique”, a new governance paradigm centered on the “soft law” “open method of coordination” (OMC). The programmatic dimension consisted of four pillars: innovation, liberalization, enterprise, employment and social inclusion. “Sustainable development” was added as a fifth pillar by the 2001 Swedish Presidency. The current (Spring 2004) Irish Presidency has prioritized reviving this agenda, *An Taoiseach* Bertie Ahern commenting that “I’ve spent more time on it over the last 15 months than on enlargement and the constitutional issue put together”⁸. The August 2003 Sapir Report (commissioned by the President of the European Commission) pointed to a stalling both regarding the program and the new governance model⁹. The work-programme of the Irish Presidency on the Lisbon Strategy contained a restatement of the strategy as a chapter “Working Together for Growth”¹⁰. The March 2004 Spring European Council mandated Wim Kok to produce an interim report on the Lisbon process ahead of a formal review to be undertaken by the “high level group on the Lisbon strategy” which met for the first time in May 2004.

Meanwhile, two research groups are undertaking on-going, “balance sheet” analyses of the program and the governance model respectively. The Centre for European Reform has published four widely reported “Lisbon Scorecards” on the programmatic “pillars”¹¹. The March 2004 Scorecard gave a downbeat assessment about EU-wide progress but it accorded Ireland overall “hero” status (along with Sweden) for its progress¹². The “Govecor” group has been monitoring “EU governance by self-coordination”. Four rounds of interim reports (which go towards a final

report due for publication in 2005) have focused on how EU states have been implementing employment policy. The interim reports on Ireland¹³ have stressed how consonant the OMC (and the European Employment Strategy) have been with Irish governance practices: a “functional fusion” that, in the area of national adaptation to employment policy coordination, means Ireland is a “strong” performer. Rory O’Donnell, the leading scholar on Irish social partnership, has gone as far as suggesting that since 1987 Ireland has been operating a precocious version of the “open method of coordination”¹⁴.

What is being acclaimed is not always clear. There are markedly different interpretations of the celtic tiger, in particular the way in which neo-liberal and consensual/corporatist elements fit together in the Irish case. According to one authoritative measure Ireland is the most globalized country in the world (Foreign Policy, 2003)¹⁵. It has strongly neo-liberal features: “passive” social protection spending in Ireland was by far the lowest in the EU and only half the EU average (14.1% of GNP compared to 27.3% for the EU-15)¹⁶. Ireland also has a low tax regime: 25% of GNP compared to 40.5% for the EU-15¹⁷. Irish rates of poverty, social exclusion and inequality are high: 13th out of 18 OECD countries on exclusion and 12th out of 18 on poverty as measured by the UNDP Human Poverty Index (UNDP, 2000) and 17th out of 18 on income inequality¹⁸. But the tiger’s “golden” neo-liberal fiscal stripes are arranged alongside the black stripes of “social partnership”¹⁹.

Economic policy since 1987 has revolved around a comprehensive “social partnership” system. This includes centralized wage bargaining coordinated with government social policy²⁰, but it also involves a much broader political and economic consensus on economic strategy negotiated by the social partners and political elites: “Social partnership has strong cross party political

support ... [it] has in effect been elevated to a *shared political ideology*, which infuses all aspects of public policy-making and with minimal dissent²¹. For some this is a novel model of “problem-solving”, negotiated economic and social governance (O’Donnell 2000a). The framing documents for social partnership in Ireland have been six national partnership agreements that have formed the basis for national development plans²².

My purpose in this paper is neither to review the history of Ireland’s belated embrace of corporatism nor to evaluate whether it is this embrace that has created the “tiger economy”. Rather, I will present an analysis of the form of “governance” that has emerged in a policy area that has developed from within Irish social partnership: active labor market policy. Whilst “passive” social spending as a % of GNP fell in Ireland since 1987 expenditures on both education and Active Labor Market Policy (ALMP) remained high. In the 1990’s ALMP spending soared putting Ireland firmly at the top of the table as an honorary Scandinavian. In the period 1990-95 only Sweden spent a greater proportion of its GDP (3%) on active labor market policy than Ireland (2%). Of those 1.8 million in employment in 2004 well over half have participated in training and/or employment programs run through the Irish state labor market agency FÁS (*An Foras Áiseanna Saothair*)²³. The bulk of the job growth has been in sectors that have drawn heavily on FÁS programs and trainees²⁴. FÁS administers a vast array of programs, but the two most important are the Community Employment (CE) scheme, which is a temporary employment/training program for the long term unemployed run largely through community organizations, and the Standards-Based Apprenticeship system, a modernized training system for 40 different trades. About 100,000 people were on FÁS training and employment programs each year through the 1990’s²⁵ (peaking at 5% of the workforce)²⁶.

Conventional accounts about the origins of the “celtic tiger” point to the strength of the education system, and in particular the dramatic expansion of tertiary-level education. Education spending was indeed spared the cutbacks that occurred in other areas in the 1980’s and 1990’s, but despite this Irish spending levels on education are unexceptional. For 2000 Ireland spent 5% of its GNP on education²⁷, about average for the EU-15. Furthermore, the aggregate figure masks a markedly regressive pattern: Ireland spends less per student on primary education than any EU state bar Greece, but it is the fourth highest spender on tertiary education per student²⁸. Spending patterns appear to correlate with outcomes as the OECD’s International Adult Literacy Survey suggests that whilst Ireland does average-to-well for the upper quintiles of the population it does very badly for the bottom quintiles²⁹. About 40% of Irish youth now proceed on to higher education. Within the tertiary sector the most dynamic area has been the Institutes of Technology³⁰. This “technological” sector of higher education has grown to the point where it enrolls as many students as the conventional tertiary system of universities³¹. This sector of higher education will be examined alongside FÁS programs to elucidate the nature of the Irish governance model.

2. *Neo-liberalism, the competition state, governance and problem-induced policy.*

Much of the literature on neo-liberalism and/or globalization has suggested an inexorable international policy convergence. For some the international integration of markets and capital mobility has dramatically eroded national autonomy: the end of the nation-state is at hand as international markets become the effective economic policy maker, with governments reduced to a vestigial, dignified role³². Policy options are narrowed to a single, neo-liberal path, resituating the state “into a subordinate relationship with global economic forces”³³. Other political-

economists have maintained that globalization, far from mandating one-size-fits-all neo-liberalism, leaves the social democratic alternative as viable as ever³⁴. Comparativists have been able to demonstrate that there are distinctive types of advanced capitalist economies,³⁵ and there has been particular interest in the question of whether the “Anglo-American”, “residual” or “liberal” world of welfare capitalism enjoys a comparative institutional advantage over other “worlds”.

There are three problems with this literature. First, neither “globalization”, nor “neo-liberalism” nor even “Anglo-American welfare capitalism” simply means “less state”. Philip Cerny has argued that economic globalization has led not to a decline of state intervention but rather to an increase in intervention and regulation in order to promote competitiveness and marketization³⁶. This involves microeconomic intervention rather than macroeconomic intervention, responsiveness to international markets, and a focus on enterprise, innovation and profits rather than social cohesion: the “welfare state” metamorphosing into the “competition state”. Second, at the same time that globalization gives rise to an intensification of certain sorts of intervention it also increases the level of uncertainty about the course of action that needs to be followed: competitiveness in an uncertain international environment requires states and other policy actors to engage in more “puzzling” and less “powering”³⁷. This explains the recent interest, across a wide range of intellectual traditions, in policy ideas and how they are communicated. From a rational choice framework an interest in shared mental models³⁸, from a Gramscian Marxist perspective a concern with socially constructed political discourse³⁹, from new institutionalist political analysis a new interest in the role of actors beliefs about governance traditions⁴⁰, from a policy analysis framework a concern with paradigms and advocacy coalitions⁴¹. Scholars working on globalization itself are increasingly tending to distinguish between the economic

outcomes of globalization and the effects of the discourse about globalization⁴². Third, different policy arenas within a single country are likely to be highly variable. This latter observation points to the importance of focusing on policy sub-systems rather than aggregate national patterns⁴³.

These three observations are particularly important for the analysis presented here, I will use the concepts of “the competition state”, “ideational discourse and puzzling”, and “paradigm politics” at the sub-system level. First, contemporary Ireland is an exemplar of the “competition state” where social policy is subordinated to the needs of the economy and recalibrated to address international competitiveness rather than domestic *égalité*. Second puzzling in response to policy problems is important although it needs to be noted that it is not a benignly technocratic process. It also involves strategic manipulation: the heresthetics⁴⁴ of policy change, manipulation of the framing of issues by political leaders in order to deconstruct alternative coalitions and construct a new winning coalition, is particularly important. The particular approach I am using draws on this Advocacy Coalition Framework and also the “problem-induced policy development” approach developed by Hemerijck.⁴⁵ Hemerijck looks at the reconfiguration/recalibration of policy profiles, viewing this as “system-wide search for a new, economically viable, politically feasible, and socially acceptable profile of social and economic regulation (127).” There is a sequential logic of [effective] policy adjustment, understood as a dynamic political process of problem-induced policy learning. Thus policy is seen as reactive not routine, problem/failure induces episodic search. Policy actors are viewed as satisficers not optimisers. Learning, mobilizing ideas usually institutionally nested, is important, as is the role of boundary-spanning institutions which structure the policy discourse by shaping the perceptions of actors over what is desirable and feasible. Two other features of Hemerijck’s analysis are especially important. First

power, the mobilization of legitimate authority, is accorded equal status with the mobilization of ideas. Second, the sources of policy problems in any one policy network include not just “exogenous” shocks in the form of wider economic and demographic changes, but also “endogenous” spillover – problems generated by dysfunctional policy in neighboring policy areas, such as education or social welfare.

Third, for analysis at the sub-system level the “Advocacy Coalition Framework” (Sabatier, 1988; Sabatier and Jenkins Smith, 1993) which views policy subsystems as central in bringing about policy change is of particular utility. A policy subsystem encompasses a large and diverse set of actors that attempt to translate their beliefs pertaining to a particular political issue or set of issues into governmental policies and programs.⁴⁶ According to Sabatier, most subsystems contain only a few politically significant advocacy groupings, usually ranging from “two to four important coalitions.”⁴⁷ The “Advocacy Coalition Framework” (ACF) sees the policy process and policy change as involving competing coalitions of policy actors⁴⁸ within sub-systems mediated by policy brokers⁴⁹. Coalitions form around different “policy core” ideas: paradigms⁵⁰ and conflicts over policy change generate “paradigm politics”.

3. Irish Labour Market Policy 1987-2004: FÁS; Community Employment; Standards-Based Apprenticeship; and the Institutes of Technology.

a. FÁS: the Swiss Army Knife of the Irish State

FÁS was created in 1987 and introduced by incoming Fianna Fail Minister for Labour (and Taoiseach since 1997) Bertie Ahern. An earlier labor market agency AnCO, with a narrow remit focused on the apprenticeship system had existed in Ireland since 1967. After Ireland’s accession to the EEC AnCO gained access to European Social Fund resources but more importantly

European ideas about manpower policy. An AnCO ethos developed in the 1970's that was rather similar to the contemporaneous MSC ethos in Britain: flaws in the apprenticeship and education systems were perceived as fundamental and a "Rhenish" alternative posited, Modell Deutschland being the vogue at the time. However, unemployment and wider social-economic crisis in the 1980's saw AnCo politically marginalized. A 1985 National Economic and Social Council Report⁵¹ and then a government-commissioned consultants report made a series of policy recommendations most of which were drafted into the strongly social democratic September 1986 White Paper on Manpower Policy (introduced by the Fine Gael-Labour coalition). Ahern inherited the Bill and secured the passage of the Labour Services Act 1987 that created FÁS.

It was the 1987-92 Fianna Fail-led government that, contrary to most expectations, introduced both fiscal austerity and social partnership in the face of an enormous fiscal deficit. Social Partnership secured a corporatist bargain. Fiscal austerity secured the support of the main opposition party, Fine Gael. The 1987 Program for National Recovery agreed to by the social partners is the Irish equivalent of the 1982 Wassenaar or the 1938 Saltsjobaden Accords. It is important to note that the Irish accord was much more state-led than its famous Dutch and Swedish predecessors. The startling outbreak of social peace (in an industrial relations system long renowned for conflict) and an end to adversarial party politics provided the context for the emergence of a powerful new coalition in the Active Labor Market Policy (ALMP) subsystem, a coalition that has held firm ever since. Furthermore, whereas in other policy areas extreme fiscal austerity placed severe limits on policy innovation, the ALMP subsystem encountered a sudden windfall: the new European regime for cohesion funding set out in the 1989 and 1994 Community Support Framework documents⁵², aka "Delors 1" and "Delors 2"⁵³. Delors 1 channeled IR£3.1billion to Ireland, one third of it through FAS. Delors 2 channeled IR£4.6

billion into Ireland, one quarter of this went through FÁS. The importance of the funding has been somewhat exaggerated. More important were the ideational and administrative strings that came with the funding. In some areas European Commission goals, such as gender equality, were imposed on a reluctant Irish state. More broadly, a rigorous monitoring system was implemented as a check against misuse of funds.

The Finance ministry and FÁS had a joint interest in maximizing the Irish “take” from the EU. Within the Commission the Irish were viewed as the most solicitous and determined of grant seekers. At the same time they earned a reputation for being tremendously responsive to the Commission and very effective users of funds⁵⁴. FÁS was regarded as a model by the European Union because it was able to demonstrate a direct link between European funding and valuable projects on the ground, demonstrating that EU funding was the catalyst for the activity happening⁵⁵. The direct contacts that FÁS had with the Commission were crucial in giving FÁS autonomy from government departments. The fact that FÁS was not a regular bureau of government meant that senior civil servants played only a minor role in shaping policy. Political leadership (particularly the Minister for Trade and Employment - formerly the Minister for Labour) did matter⁵⁶. FÁS was able to horsetrade with the Commission and its interactions were unmediated by any government department⁵⁷.

Irish state institutions are usually caught between the rock of powerful, centralized state (especially the Finance Ministry) and the hard place of a party system highly responsive to local political pressure. In the case of FÁS, European money and the ability of Finance to calculate the net cost of programs gave FÁS leverage with Finance that sustained support for FÁS programs even in times of extreme fiscal austerity. The breadth of local support for FÁS

programs provided further political insulation that extended across party political boundaries. The regionalization of FÁS furthered its ability to nurture and mobilize alliances with local community groups.

FÁS's organizational structure was supremely well adapted to its budgetary and political environment. It was a single, multifunctional labor market agency, largely autonomous from its parent Department⁵⁸. It had a representative Board of Directors with employer and union representatives strongly represented, but the organization was dominated by a powerful Director General position. FÁS was regionalized, with 10 fairly autonomous Regional Directors controlling its operations in these regions. This regional structure came to be important as local politicians developed strong links with FÁS in their region. FÁS also developed a capacity to deliver programs both in-house and by outsourcing: contracting out many of its services, from research thru training, to external actors.

FÁS, due to its interactions with the European Commission and its reliance on EU funding adapted its auditing and financial systems to EU requirements, developing a "clean" and accountable reputation whilst maintaining an ability to respond to the clientelistic demands placed on it by Irish politicians. FÁS always devoted great energies to responding to requests from elected politicians on behalf of constituents. A symbiotic relationship developed whereby FÁS was able to deliver favors to politicians whose intensive "constituency service" made them useful sources of information about the demand for placements. In return FÁS, both at head office and through its regional offices, was able to rely on strong political support, almost irrespective of party.

FÁS was fiscally opportunistic in being able to respond very precisely to the demands of its funders, the Department of Finance and Brussels. As far as the all-powerful Department of Finance was concerned FÁS was especially attractive because of net-cost calculus. Drawing down as much EU funding as possible helped subsidize spending. Later savings made in the social welfare budget by programs run by FÁS helped further minimize the costs to the exchequer. In addition to this net cost factor, FÁS was also attractive because of its ability to avoid long-term spending commitments. Outsourcing its functions meant avoiding the appointment of permanent public sector jobs. Thus much of FÁS's capacity was legally and fiscally retractable. Finance has an abhorrence, bordering on a form of fiscal anorexia, of creating permanent public sector employment.

In addition to the short and long term financial attractiveness of FÁS programming over other alternatives, FÁS was liked by Finance and Brussels for its ability to animate societal actors such as voluntary organizations (as project sponsors) and employers. FÁS was able to share financial, legal and political responsibility with its institutional clients, effectively achieving a big bang for the buck/punt/euro: a large “multiplier”. For these reasons the Irish state quickly learned that it could address myriad problems through FÁS cheaply and effectively. Other Departments of State were by-passed and FÁS became the all-purpose solution to various problems, the “Swiss army knife” of the Irish state. The post-1987 consensus had a generalized “freezing” effect. Radical policy ideas, whether neo-liberal (workfare, privatisation, welfare state retrenchment) or social democratic (egalitarian educational policies, public sector employment growth) in the fields of social welfare and education were marginalized and “beyond the pale”. Policy innovation and solutions to policy problems became the almost exclusive preserve of FÁS: the all-purpose solution-monger. That FÁS was often an unsuitable implement to address problems did not

matter, it was the only implement to hand. This led to it being used for a wide variety of purposes, from funding the arts to addressing drug and psychiatric problems in Irish society, particularly through the Community Employment program.

b. Community Employment: FÁS, community organizations and the politicians

The Delors windfall was important for FÁS training programming. However, employment programs without a large training component – such as the Community Employment (CE) program - were not supported by EU funds, but they soon became the largest part of the FÁS budget and the most beloved by community organizations. As Exchequer funding represented nearly 100% of the cost of these programs, domestic political support was crucial.

FÁS was able to be very entrepreneurial and responsive to political directives⁵⁹. It also now enjoyed autonomy from government departments, extensive resources and effective insulation from critics. When savings from the social welfare budget due to participation in a FÁS scheme are calculated in FÁS was always able to make the case to Finance that the net cost of exchequer support was only 10p in the punt⁶⁰. This net-cost calculus was important for Finance, which always had a representative on the FÁS Board and in a climate of fiscal austerity, was keen to make savings.

FÁS's policy development division devised Community Employment (CE). Unlike earlier employment programs (and despite the Department of Finance's concern about costs) CE was developed as a program that would employ supervisors to ensure a relatively high quality program on projects largely sponsored by the community sector (80% of placements are with the voluntary sector, the rest mainly with public agencies). The 1992-4 Fianna Fail-Labour

coalition government announced the program in January 1994 with a budget double that of existing employment program budgets and designed to more than double the number of placements to 40,000 per year.

(Fig 2. about here)

CE involved a particularly striking mobilization of the community sector as project sponsors. FÁS here played a proactive role in searching out, cultivating and training activists: often people who were very alienated from “the system”⁶¹. FÁS created courses and diplomas in community work for the purposes of cultivating such social entrepreneurs. This was particularly important in the most deprived areas where local civic activism was often absent: churches and unions were absent in the most dysfunctional urban communities; professionals such as doctors and teachers did not live locally, community activism had to start from a tabula rasa⁶².

The bulk of the credit for the strong support FÁS received and the success of FÁS programs is attributed to elected politicians⁶³. Politicians, including serving ministers, are highly responsive to constituents (the Irish STV electoral system punishes individual politicians who lose touch with constituents). The partisan complexion of governments did not matter either. All politicians had FÁS schemes in their constituencies. It was also the case that any coalitional permutation would contain a party or party faction that was populist and strongly pro-FÁS: this applied to the populist wing of the Fianna Fail party (Bertie Ahern⁶⁴ being the best example) and to the Labour Party.⁶⁵ The 1992-94 window was especially auspicious as this government included both a populist incarnation of Fianna Fail and the Labour party. The advocacy coalition that came together to create and implement Community Employment was based on FÁS and included the

union and employer social partners on the FÁS Board, Finance Minister Ahern, Labour's Ruairi Quinn as Minister for Enterprise and Employment and Mary O'Rourke as Minister of State with responsibility for FÁS.

(Fig 5. about here).

The FÁS-based advocacy coalition revolved around a "labour market programming" paradigm, that sought to address mass long term unemployment through a greatly enlarged temporary employment program with a significant training dimension and run by FÁS-controlled supervisors for projects sponsored by community organizations. This coalition received strong backing in the 1993 Fianna Fail-Labour "Program for Government". However, given the saliency of the unemployment issue at the time a rival coalition with a much more radical agenda combining a social democratic "high-spend" approach to job creation with a "community development" paradigm advocated by the community and voluntary sector, together with the left wing Democratic Left party and some elements of the Labour party. This latter coalition fastened on to a "Taskforce on Long Term Unemployment" created by the government and the National Economic and Social Forum, a new "social partnership" body created to democratise social partnership and give access to previously excluded interests such as the community and voluntary sector. This "community development" advocacy coalition sought an even larger program, but outside FÁS, and with a community-development ethos rather than a labor market one. A struggle between these two coalitions ensued, ultimately won by the "labor market programming" group, led by Ministers Quinn and O'Rourke. Finance opposed the community development model not so much because of short term cost considerations but because of the fear that without a labor market focus programs would quickly cease to be short-term and temporary and would involve the exchequer supporting public sector

employment or “sheltered employment” for a permanent clientele. The Taskforce proposals were finally buried by the 1994-7 Fine Gael/Labour/Democratic Left “Rainbow” coalition, as by then FÁS had successfully launched Community Employment and the community and voluntary sector had reconciled itself to the FÁS approach.

The CE advocacy coalition was not only challenged from the left but also from the “right”. CE came in for heavy criticism for failing to get people into jobs and for the deadweight and substitution effects. It was also criticized for being insufficiently connected to the labor market and being too “provider-centered” rather than “client-centered”. Although FÁS programs received mixed reviews by economists and academic researchers, FÁS was in a politically strong position 1987-2004. The leadership of FÁS felt insulated from pressure by critics because, with over 3,500 community projects receiving FÁS support at any time, there was a huge constituency of support. There were only three occasions when FÁS leadership felt it necessary to mobilize this constituency to counter critics: once when a hostile newspaper article argued FÁS spending was wasteful, twice when budget cuts were mooted. On all three occasions a modest mobilization of support generated overwhelming backing to see off the criticism⁶⁶. Part of the defense was that massive social disruption was likely if nothing was done⁶⁷. The other argument was that FÁS had to help people up the skills ladder⁶⁸.

The “client-centered intervention” advocacy coalition, which drew on support from academic think tanks, such as the prestigious Economic and Social Research Institute, business interests and elements within the civil service and the Fine Gael Party made a series of proposals, including proposals to detach programs for the unemployed from “regular” training, and align the former with social welfare. However these were successfully resisted. One disadvantage that this

coalition had was the problem of being tarred as “Thatcherite”. There was a widespread aversion to the direction that British active labor market policy was taking at the time in the form of the Employment Training program (1988-97).

“In a growing body of research, economists have compared groups of unemployed people who enter government training schemes with similar groups who do not. In almost every case, these studies have found that the schemes have failed to improve either the earnings or the employment prospects of their clients” (Economist April 6, 1996). OECD research tended to support this thesis. The largest and most comprehensive study of Irish active labor market policy concluded that the results were unimpressive (O’Connell and McGinnity, 1997). Interestingly, however, just as the “expert” evidence about the ineffectiveness of these policies mounted, Irish active labor market policy expanded to its greatest extent. By the late 1990’s there were over 40,000 per year being employed on CE. As the jobs boom took off CE’s clientele changed from the long term unemployed to much more marginalized groups such as single mothers and the disabled. The numbers remained high however, and despite the retrenchment attempted by the center-right 1997-2004 government, over 20,000 are on the program annually in 2003 and 2004.

The key to the success of CE was mobilizing community organizations as sponsors and them running the system through supervisors nominally working for sponsors but effectively working for FÁS. This galvanized a cohort of community activists who, though operating outside the framework of the political parties, were able to exploit the responsive, clientelistic nature of Irish local and national politics to secure the resources necessary to develop a remarkably sustained response to mass unemployment. FÁS’s

leveraging capacity did not reduce its ability to control policy. FÁS shared responsibility but maintained control through the system of supervisors.

(Figure 3 about here)

Although periodic evaluation of Community Employment by outside consultants, and a lot of academic research, suggested that CE was not “progressing” clients into the regular labor market there has been belated recognition that DCE has had a big impact on the hard core of “work poor households” where Ireland has moved from being a very poor performer to a good one (Figure 3)⁶⁹.

c. Standards-Based Apprenticeships

The reform of the apprenticeship system had been a goal of policymakers since the 1970's. It was accomplished in the 1992-94 period, overcoming intense opposition, thanks in part to a favourable political alignment. A union leader, and FÁS Board member, inserted a commitment to reform the apprenticeship system into the second social partnership agreement in 1991, the Program for Economic and Social Progress⁷⁰. The 1992-94 Fianna Fail- Labour government set about delivering this commitment and it was able to accomplish this through FÁS. Employers were greatly supportive of the idea of a qualitatively superior apprenticeship system that was standards based rather than time-served, but they wanted the state to pay for this and just “cherry pick” the results. FÁS was determined to get employers to bear the bulk of the financial costs of the new system and also to “take ownership” of the system. This was accomplished, after much conflict, by employers being made responsible for the hiring of apprentices (and apprentices

completing the first of their seven-phased apprenticeship “on the job” with the employer). FÁS also ensured that the new system was “end-certified” so as to prevent employers withdrawing apprentices who were part-qualified through the different modules.

The FÁS-based advocacy coalition revolved around a “labor market programming” paradigm that viewed the core problem as being one of market failure: employers would never generate sufficient training as it was more rational to “poach”. Despite the presence of employer representatives on the FÁS Board, FÁS’s leadership retained a deep distrust of the motives of employers. Employers had to be cajoled, if not coerced, into supporting a system from which they would benefit. Union leadership was strongly supportive and employers, who wanted the reform but at Exchequer expense, found themselves isolated. Employers in the traditional “trades” eventually caved-in, not least because, despite continuing mass unemployment, the rate of economic growth was generating noticeable skills shortages (1993-7), and later labor shortages (1997-2001).

(Figure 4 about here)

In addition to opposition from employers FÁS had to counter opposition from the Department of Education over who would control the “off the job” vocational education and training. FÁS’s ability to deliver training both in-house at its Training Centers and through contracting-out made it very flexible. However, a political compromise had to be reached with the Department of Education (and teacher unions which feared lay-offs of vocational teachers). A division between FÁS and the education system was eventually forged, with FÁS being effectively in control of the standards and overall shaping of the apprenticeships across 40 trades. However, the system was less flexible than FÁS wanted and it was unable to extend the new system to some newer occupational fields. One result of this latter is that since 1997 employers have developed their

own “skillnets” systems in some of the newer occupational fields, outside of FÁS’s control. This latter development notwithstanding, the Standards-Based Apprenticeship initiatives saw FÁS effectively able to “lock-in” employer support (and funding) for a system that it largely controlled.

d. The Institutes of Technology

Although the Institutes of Technology are administered through the Department of Education, their functioning parallels for the tertiary educational sector what FÁS was doing in the lower part of the labor market. Recent research by Wickham and Boucher (2004)⁷¹ has focused on the “technological” sector of higher education in Ireland. Debunking the adulatory account of the Irish education system they note that the dramatic expansion in the proportion of Irish children who go on to third level is largely due to the growth of the regional Institutes of Technology. Twelve such institutes were created in the 1970’s and 1980’s⁷² and by the 1990’s these institutions were enrolling as many students as the traditional universities. The IT’s were focused on courses and qualifications closely aligned with emerging labor market needs. Wickham and Boucher are keen to point out that although much of what the IT’s did was closely aligned with foreign direct investment in “new technology” sectors, much was also focused on the traditional manufacturing sector, which was as dynamic a source of growth as the more widely hailed “hi-tech” sectors.

For my purposes here what matters most is the way in which the IT’s were administered and the type of qualified people they were turning out. Regarding governance, the IT’s were directly controlled by the Department of Education. The Presidents of the IT’s were political appointees

and there was thus a strong direct role for Ministers (rather than just civil servants). Given the regional locations of the Institutes and the political nature of appointments the degree of political support the Institutes enjoyed was considerable. What they lacked was the autonomy of the traditional universities. This made them highly susceptible to central government preferences and these were tightly connected with economic development criteria.

The IT's were also very adept at turning out sub-degree level graduates. Modular one and two year courses with Certificates, Diplomas and other qualifications were a large part of the IT's activities. Three quarters of all IT qualifications are sub-degree level. Qualifications could be tailored to meet labor market needs and the costs of producing such third level education was relatively low. This also means that the static enrolment figures understate the importance of the IT's in terms of the throughput of students. This also explains why Ireland looks so good in international comparisons about the proportion of children in third level: the average duration of third level education in Ireland was 2/3rds that of the OECD average, largely because of the IT's.

In addition to low per capita costs the IT's were also significant recipients of European Social Funds. Thus the net-cost to the Irish exchequer was low in the 1990's. The pattern noticeable with FÁS programming is replicated with the IT's. There is direct control exercised by the political center and Finance is able to ensure that the net- and per-capita cost is low. Given that IT's are largely staffed by permanent faculty there are long-term commitments involved that mean that the "outsourcing" model used by FÁS is not viable. This also means that certain programming becomes locked in and less responsive to political direction. One consequence of this was an over-investment in Information Technology staff as a result of the recommendations of the "Expert Group on Future Skill Needs". However, compared to other tertiary institutions in Ireland, and the norm in most of Europe, the responsiveness of the IT's is remarkable.

4. Conclusion: just-in-time policy, Irish style

What was most innovative and successful about the Irish model was not the policies pursued but the mechanisms through which policy was determined: the flexibility of the Irish state. Irish labor market policy has been highly effective in responding to specific problems and this has contributed to the astonishing success of the “Celtic Tiger” (Fig 1.).

- For the top end of the labor market the Irish state was able to rapidly and cheaply increase the proportion of the workforce educated to tertiary level, largely through the expansion of sub-degree qualifications at the Institutes for Technology it controls.
- For the middle part of the labor market the Irish state was able to rapidly and cheaply improve the quality of the apprenticeship system, largely through manipulating employers and the EU into paying for a system it (through FÁS) was able to control and direct to labor upskilling (rather than employer-servicing goals) (Fig. 2).
- For the bottom end of the labor market the Irish state was able to rapidly and cheaply expand temporary employment schemes (see Fig. 4) to keep marginalized groups (the long term unemployed, lone parents, older and disabled people) connected to the labor market and employable (see Fig. 3 on work poor households).

Initiatives at all three levels involved distinct qualitative leaps for the Irish labor market. Community Employment served to render categories of the population deemed unemployable employable. Standards Based Apprenticeships served to improve the quality of the workforce in manual and non-manual trades previously just “time-served”. The Institutes of Technology served to produce cohorts of vocationally-oriented tertiary-level graduates for a segment of the

population that previously exited formal education after secondary schooling.

The governance pattern – central control, responsiveness to local clientelism, flexible, retractable delivery mechanisms - is highly adapted to the peculiar features of the Irish state (extremely centralized, with an all-powerful Finance Ministry driven by a near-anorexic fear of expanding public expenditure) and Irish electoral politics (highly localized with clientelistic politicians driven by “constituency service” more than ideology). Policy initiatives received backing from the political center (especially Finance) whilst at the same time cultivating a dominant “advocacy coalition” that embraced actors in all political parties and across all major societal actors from employers to community activists.

Why were a disproportionate number of policy problems faced by the Irish state addressed through FÁS? Because FÁS provided low-cost, high-impact policy that met the political and administrative requirements of funding sources. It’s ability to “leverage” policy-supportive action by societal actors was especially important: getting them to bear financial, legal and political costs. FÁS satisfied Finance and Brussels. It provided cheap, flexible solutions that avoided long term commitments. These solutions were not always optimal, but they were economically viable, politically feasible and socially acceptable. What was the form of governance employed by FÁS? FÁS was a centralized and fairly hierarchical institution but its regionalized structure enabled it to be highly responsive to the local, clientelistic nature of Irish politics. Its control over programs (whether run in-house or out-sourced) meant it was able to respond quickly to political demands, an interesting example of a “clean clientelism”. Why have FÁS and its principal programs proved to be politically and administratively durable? FÁS was enjoyed strong political support from elected politicians and (to a lesser extent) client groups such as the voluntary sector and employers. It has

developed a political immunity to research-based criticism of its programs. FÁS's "clean clientelism" points to a functional advantage deriving from societal actors and elected politicians whose detailed knowledge of projects serves as a counterweight to "expert" analysis.

What are the consequences of FÁS's unusual prominence for the Irish welfare state? FÁS's very utility has forestalled reform in other parts of the Irish welfare state. The fact that FÁS is the only tool available points to a weakness in the repertoire of tools the Irish state has available. The Swiss Army Knife is both a symptom of policy failure in other areas and a cause of those failures not having been confronted. This points not only to a weakness of the Irish state's repertoire but also a stasis in social policy in other Departments of State that is in part due to the "freezing" effect of consensual social partnership. The challenge for the Irish state now is to go beyond "just-in-time" quick fixes to tackle the more intractable problems of developing the "knowledge-based economy" and social inclusion. FÁS cannot solve the problem that the Irish education system is generating a large number of functional illiterates. It cannot address growing income and wealth inequalities that derive from sources other than unemployment. It cannot address chronic weaknesses in the social welfare system. In these areas Ireland is now a poor performer.

Exhortation to "copy" Ireland, either in terms of programs or the broader development strategy, ought to be treated with great caution. The Irish case illustrates the importance of quite idiosyncratic "fixes" for specific problems faced by the state. The extent of policy innovation that occurred within the post-1987 consensual model is significant as is the characteristic type of governance that developed. However, beauty pageant political economy is inadvisable.

Fig 1. Aggregate Numbers of Jobs (in thousands) in the Irish Economy 1920-2010

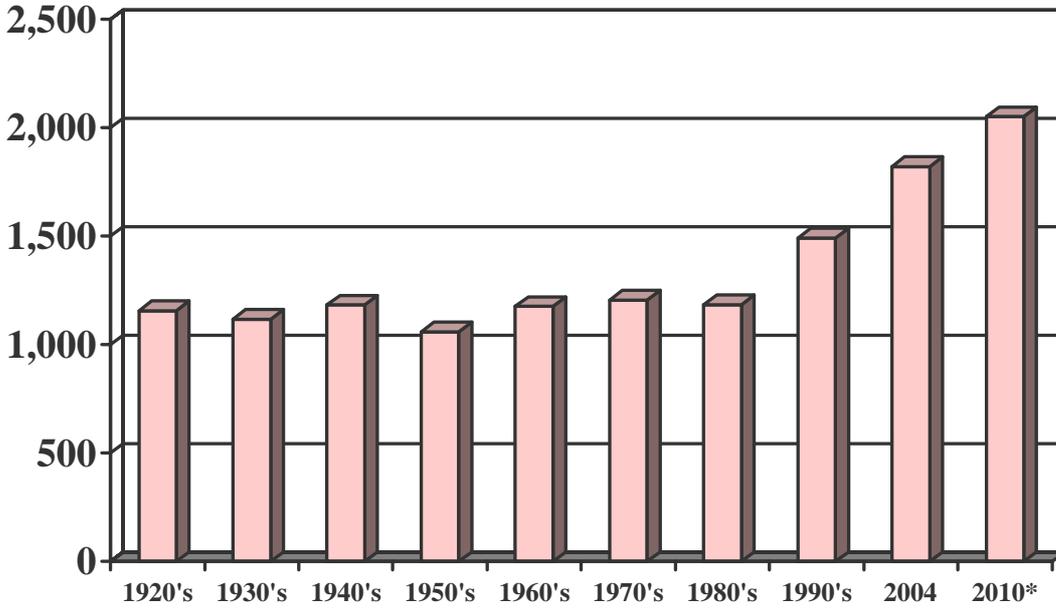


Fig 2. Numbers of People on state Employment Schemes 1987-2004

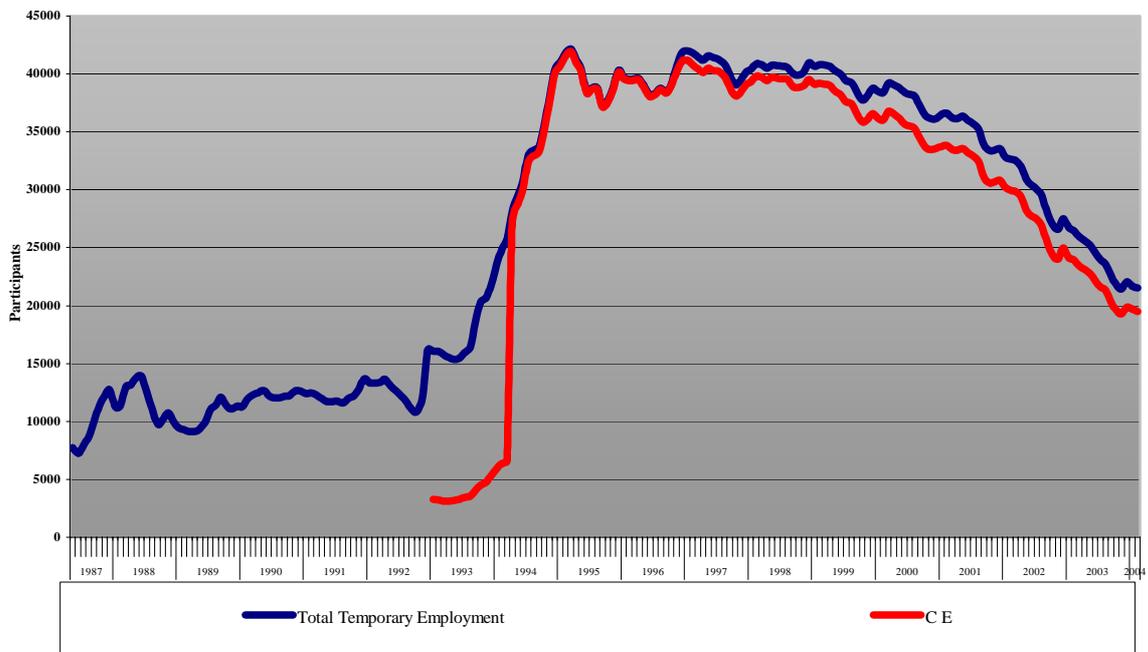


Fig. 3

% People Aged 18-59 Living in Jobless Households (LFS)

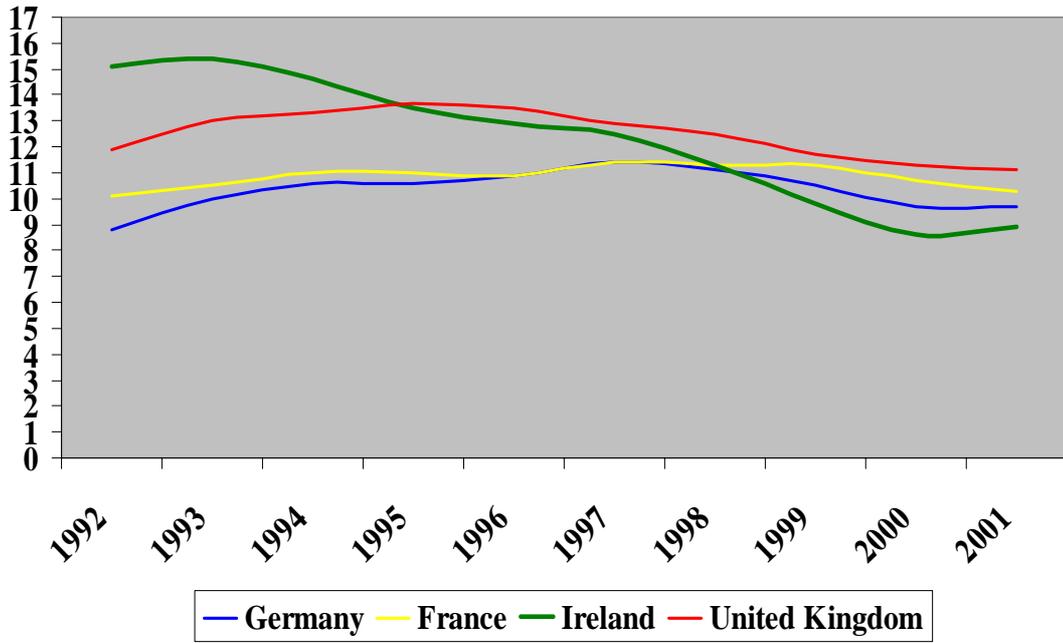


Fig 4. Numbers of Standards-Based Apprentices 1996-2002

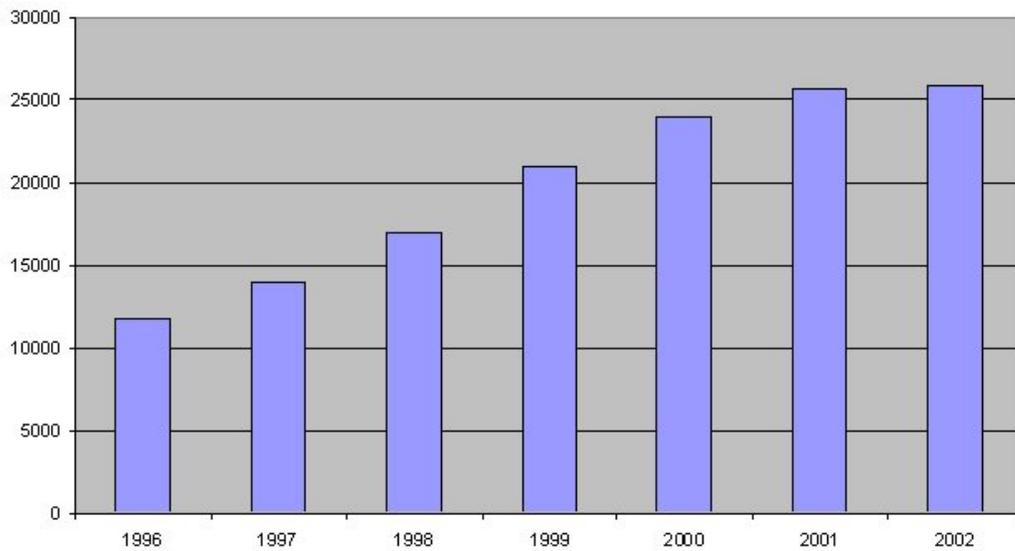


Fig 5: Policy Coalitions in the Community Employment and Standards Based Apprenticeship Cases.

Case	Community Employment (CE)	Standards Based Apprenticeship
Problem	Long Term Unemployment crisis	Poor and highly uneven quality of time-served apprenticeships
Source of Initiative	FF-Labour government	1991 Program for Economic and Social Progress
Key Proposal	FÁS-operated, national, 40,000-place scheme, based on Voluntary sector sponsors, run by	7-stage, standards-based system, part employer-financed, off-the-job modules split with Education, end-certified.
<i>Policy coalitions</i>	<i>"labor market programming"</i> <i>"hi-spend community development"</i> <i>"Anti make-work"</i>	<i>"labor market programming"</i> <i>"educationists"</i> <i>"cost-averse employers"</i>
Decision points	Jan 1993 FF-Lab "Program for Gov't" Jan 1994 Budget	1991 Social Partnership Agreement Spring 1993 meetings with employers
Decisive Factor	FÁS's delivery capacity	"Locking in" employer responsibility
Result	CE launched April 1994	September 1993 Standards Based Apprenticeship system launched

Endnotes

¹ Helen Russell et al Work Poor Households: the welfare implications of changing household employment patterns. ESRI Policy Research Series #52 March 2004.

² The research on which this paper is based consists of over 50 interviews with elite-level policymakers – ministers, civil servants, FAS officials and leader of employer, union and community organizations. These interviews were conducted November 2003-May 2004. Permission to cite by name has not yet been sought for these interviews, although it has for an earlier round of interviews.

³ Jelle Visser and Anton Hemerijck (1997) *A Dutch miracle: job growth, welfare Reform and Corporatism in the Netherlands* (Amsterdam University Press); Uwe Becker (2001) “‘Miracles’ by Consensus? Consensualism and Dominance in Dutch Employment Development” *Economic and Industrial Democracy* 11 (4): 453-483; Steven Wolinetz “Modell Nederland: social partnership and competitive corporatism in the Netherlands Ch 8 in

⁴ “Astonishing” remains the most popularly applied adjective. As late as the early 1990’s authors could still seriously write books called Is Ireland a Third World Country?, Caherty (1992) and Emigration and the Peripheralization of Ireland in the Global Economy, Mac Laughlin, Jim (1994b).

⁵ Allen, 1998, 13.

⁶ Central Statistics Office (2001), and McCoy et al, 2000, 29-30.

⁷ FÁS The Labour Market Review 2003

⁸ March 8, 2004 at Institute for European Affairs conference.

⁹ An Agenda for a Growing Europe: Making the EU economic system deliver” August 2003 Andre Sapir et al. [http://www.dree.org/elargissement/Rapports Site/RapportSapir](http://www.dree.org/elargissement/Rapports%20Site/RapportSapir)

¹⁰ Work-programme of the Irish Presidency “Working Together for Growth” <http://www.eu2004.ie>

¹¹ The Lisbon Scorecards I-IV Center for European Reform 200-2004.

¹² The accolade seems somewhat arbitrary given that Ireland scores poorly on the sustainability criteria and modernizing social protection, The principal author, Alasdair Murray, cites Irish success in the “business start-up” and “bringing people into the workforce” categories as justifying the hero status (personal communication).

¹³ Lynch, B. (2002-2004), National Report for Ireland (1st, 2nd and 4th round), GOVECOR project, available http://www.govector.org/data/20031125123520_Irish_Report4.pdf

¹⁴ Rory O’Donnell and Brian Moss “Ireland: the very idea of an open method of coordination” National Economic and Social Council working paper (forthcoming 2004).

¹⁵ Foreign Policy magazine’s Globalization Index ranked Ireland as the most globalized economy of 62 in its survey for both 2001, 2002 and 2003. The 2002 A.T. Kearney / Foreign Policy Magazine Globalization Index (Foreign Policy, Washington D.C 2003).

¹⁶ Spending on health, disability, old age, widows and widowers, families and children, unemployment, and housing CORI “Priorities for Fairness” April 2004

¹⁷ CORI Justice Commission Annual Report “Priorities for Fairness” April 2004. OECD figures for 2003 on taxation show Irish taxation as 28% of GDP compared to the EU 15 average of 40.5%. 2000 European Commission figures show that National Social Protection Expenditures (“passive” spending on healthcare, housing and benefits for the disabled, elderly, families and children) as 14.1% of GDP for Ireland, compared to 27.3% for the EU 15.

¹⁸ World Development Report 1998/9 Table 5 p. 198.

¹⁹ The color coding is derived from the neo-liberal “Golden Straitjacket” identified by Thomas Friedman (*The Lexus and the Olive Tree*, New York, Anchor Press, 2000) and the black of European Christian Democracy (clerical by origin), the ideological underpinning concepts of social partnership and subsidiarity.

²⁰ Interestingly this is a system that has broken down in Scandinavia itself in the early 1999’s.

²¹ Walsh, Craig and McCafferty (1998, 15-16)

²² The 1989 National Development Plan 1989-93, the 1994 National Development Plan (1994-1999) and the 2000 National Development Plan 2000-2006

²³ Between 1987 and 2001 FÁS throughput on its training and employment schemes averaged about 100,000

per year (FÁS annual reports 1987-2001). MacSharry and White note that 500,000 participated in EU supported training 1989-93, though they characteristically omit to mention that all of this operated through FÁS (Mac Sharry and White, 2000, 156).

²⁴ 70% of the job growth has been concentrated in five sectors: construction; sales; hospitality; transport and communication; and financial. These figures are for the 1994-2000 period, Quarterly National Household Survey, November 2000. All of these sectors recorded growth of more than 30%.

²⁵ FÁS Annual Reports 1988-2001.

²⁶ OECD Employment Outlook, July 1995, Paris:OECD.

²⁷ Total public expenditure on education as a % of GNP. Eurostat 2002.

²⁸ Public and Private Expenditure on Education per student (PPS in Euros) for 1999. Reported in Unesco/OECD/Eurostat data collection 2002.

²⁹ OECD (2001) Knowledge and Skills for Life:First Results from the OECD Programme for International Student Assessment (PISA) (Paris, OECD).

³⁰ OECD 2000 Education at a Glance (Paris, OECD) p. 157.

³¹ Some Institutes of Technology were reclassified as “full” universities in the 1990’s, but taken together current and former IT’s enroll as many students as the traditional universities.

³² A popular version of this is Kenichi Ohmae’s (The End of the Nation State: the Rise of Regional Economies (New York: Free Press, 1993). Among political scientists the strongest claims are often made by those working on capital mobility: David Andrews and Thomas Willett “Financial Interdependence and the State: International Monetary Relations at Century’s End,” International Organization, 51 (1997):479-511, and Paulette Kurzer Business and Banking (Ithaca: Cornell, 1993).

³³ Falk, Richard (1996). An Inquiry into the Political Economy of World Order, New Political Economy, Vol. 1, No. 1, p.15).

³⁴ Geoffrey Garrett Partisan Politics in the Global Economy Cambridge University Press, 1998.

³⁵ P. Pierson, 1994, Dismantling the Welfare State. New York: Cambridge University Press); D. King, 1995, Actively Seeking Work. Oxford: Oxford University Press; Gosta Esping-Andersen (The Three Worlds of Welfare Capitalism Princeton U.P., 1990); Peter Hall and David Soskice (eds) Varieties of Capitalism: the institutional foundations of comparative advantage , Oxford UP 2002).

³⁶ Cerny, Philip G. (2000) Restructuring the Political Arena: Globalization and the paradoxes of the Competition State, in Randall D. Germain (ed.) Globalization and its Critics: Perspectives from Political Economy, Basingstoke: Macmillan - now Palgrave, p 122.

³⁷ A formulation borrowed from Peter Hall Governing the Economy (1986) p. 18.

³⁸ Arthur Denzau and Douglas North “Shared Mental Models: Ideologies and institutions” Kyklos Vol. 47 1994.

³⁹ Bob Jessop also Guy Standing, Jens Alber, Jan Torping

⁴⁰ Mark Bevir, R.A.W. Rhodes and Patrick Weller “Traditions of Governance” Public Administration Vol. 81, No. 1, 2003.

⁴¹ P. A. Sabatier, “Policy Change Over a Decade or More,” in P.A. Sabatier and H. C. Jenkins Smith. Policy Change and Learning: An Advocacy Coalition Approach. (Boulder: Westview Press, 1993)

⁴² C. Hay Political Analysis (Basingstoke: Palgrave Macmillan, 2002) and Mark Blyth “The Political Power of Financial Ideas: transparency, Risk and Distribution in Global Finance” 2002.

⁴³ Held et al have argued that the “world order can no longer be conceived as purely state-centric or even primarily state governed, as authority has become increasingly diffused among public and private agencies at the local, national, regional and global levels. Nation-states are no longer the sole centers or the principal forms of governance or authority in the world” (1999, 9).

⁴⁴ W. Riker, The Art of Political Manipulation, (New York: Yale University Press, 1986). Heresthetics is the art and science of political manipulation. Heresthetics involves the strategic manipulation of issues so as to bolster one policy coalition and fracture rival coalitions.

⁴⁵ Anton Hemerijck and Martin Schludi “Sequences of Policy Failures and Effective Policy Responses” in F. Scharpf and V. Schmidt Welfare and Work in the Open Economy Vol. 1 (OUP, 2000).

⁴⁶“Advocacy coalitions are composed of elite actors from a variety of institutions--interest groups, agency officials, legislators, executive overseers, intellectuals--who share a general set of normative and causal beliefs concerning the policy area”. P. Sabatier and N. Pelkey, ‘Incorporating Multiple Actors and Guidance Instruments into Models of Regulatory Policymaking: An Advocacy Coalition Framework’ *Administration and Society* XIX (1987) 237.

⁴⁷ Ibid. p.26.

⁴⁸ Actors’ organizational affiliation is not primordial, members of different coalitions come from different organizations

⁴⁹ Coalitions may attempt to map their goals in to policy by, among others means, “venue shopping”.

⁵⁰ These are distinct from system-level “deep core” beliefs, more broadly applicable and less directly relevant to the policy domain.

⁵¹ The National Economic and Social Council (NESC) is the Irish government’s semi-detached think tank for policy reform.

⁵² ECSC-EC-EAEC (1994) Community support framework 1994-99 Objective 1: Development and structural adjustment of regions whose development is lagging behind. Luxembourg: Office for Official Publications of the European Communities.

⁵³ Economist, February 27, 1988, p. 41.

⁵⁴ Interview with Terry Stewart, senior official in the Social Affairs Directorate General of the European Commission 1985-91, 1-16-02.

⁵⁵ Correspondence with Henry Murdoch, Assistant Director General of FAS 1987-99.

⁵⁶ Interview with Pat O’Toole, FAS Head of European Union Affairs 1987-present, 1-10-02.

⁵⁷ Interview with Pat O’Toole, FAS Head of European Union Affairs 1987-present, 1-10-02.

⁵⁸ The Department of Labour until 1992, the Department of Enterprise and Employment 1993-7 and the Department of Enterprise Trade and Employment since 1997.

⁵⁹ One principal actor recalled, “I remember going to a National Consultative Committee meeting, which monitored progress on the partnership programme, and being asked if we could increase the Social Employment Scheme (later, the Community Employment Scheme). To the horror of our parent civil service Department, I said that we could double it to over 30,000 participants (representing nearly 3 percent of the labour market). We were subsequently asked to double it. This would not have occurred in the normal liaison between FAS and its parent Department”Correspondence with Henry Murdoch, Assistant Director General of FAS 1987-99.

⁶⁰ Interview with Pat O’Toole, FAS Head of European Union Affairs 1987-present, 1-15-02.

⁶¹ Interview with Dr John Lynch, FAS Chairman 1988-91 and FAS Director General 1991-2000, 1-15-02.

⁶² Interview with Dr John Lynch, FAS Chairman 1988-91 and FAS Director General 1991-2000, 1-15-02.

⁶³ Interview with Dr John Lynch, FAS Chairman 1988-91 and FAS Director General 1991-2000, 1-15-02.

⁶⁴ Labor minister (1987–91) and finance minister (1991–94). Taoiseach 1997-2002. FAS Director General Lynch tells a story of walking the streets of London early one Sunday morning with Labour Minister Ahern in 1989 and the two of them encountering homeless Irishmen, 1950’s emigrants who had fallen into alcoholism and poverty. They agreed that “never again” would a generation of Irish people have to leave Ireland skill-less.

⁶⁵ In government 1992-96.

⁶⁶ Interview with Dr John Lynch, FAS Chairman 1988-91 and FAS Director General 1991-2000, 1-15-02.

⁶⁷ The observation that FAS saved Ireland from social revolution was made by most of the senior official I interviewed.

⁶⁸ Interview with Dr John Lynch, FAS Chairman 1988-91 and FAS Director General 1991-2000, 1-15-02.

⁶⁹ Helen Russell et al Work-Poor Households: the welfare implications of changing household employment patterns *ESRI Policy Research Series # 52*, Dublin March 2004

⁷⁰ Programme for Economic and Social Progress, 1991-93.

⁷¹ James Wickham and Gerard Boucher “Training cubs for the Celtic Tiger: the volume production of technical graduates in the Irish Education system” *Journal of Education and Work* (forthcoming, 2004).

⁷² Two were subsequently upgraded to University status.