

Reflections on the Irish Economy Blog

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Introduction

John Lloyd in the *Financial Times* has made the point that in countries where liberty is largely taken for granted, blogging is free and, often, vacuous. In countries where blogging is not taken for granted, it is – as the samizdat writers were in the Soviet Union – of huge interest (most of all to the authorities) and often of high quality, since words must be weighed with care. If we look to blogs for wisdom or revelation, we will usually be disappointed. If we go to them for company, we are likely to find it.

Blogs and websites bring people together. They aggregate interest groups and interested individuals, and they do so very quickly. Those who blog put time and effort into writing and (occasionally) reading, and such effort is rarely remunerated.

The Irish Economy web site (www.irisheconomy.ie) was created and is managed by Philip Lane, Professor of International Macroeconomics at Trinity College, Dublin [<http://www.philiplane.org/>] as a forum for the profession as the tidal waves of budget deficits and banking crisis hit Ireland's shores simultaneously. Is it a source of revelation and wisdom, or a cosy snug to which like-minded souls retreat in hard times for some pub talk? It does get some attention from the national and international media, so it is worth having a look at the contributors and how they and the blog operates by touching on the links with newspapers; raising some questions; and identifying some gaps. A key conclusion is that our understanding of the relative credibility and overall performance of contributors (and commentators) will be seriously enhanced once economics students have done a substantive ex post analysis and post their findings on the Irish Economy blog.

The contributors and how it works

The details informing this section are in the Appendix. The blog has 28 active or formerly active contributors, drawn from University College Dublin (UCD); Economic and Social Research Institute (ESRI); Trinity College Dublin (TCD); National University of Ireland Maynooth (NUIM); National University of Ireland Galway (NUIG); Queens University Belfast and Queens University Kingston Ontario. Of these, three bloggers– Alan Ahearne, Cathal Guiomard and Patrick Honohan - have become inactive since moving on to be the adviser to the Minister for Finance, Aviation Regulator and Governor of the Central Bank respectively. Trying to access activity for four of those listed as contributors – Alan Barrett (ESRI), Frances Ruane (ESRI), Olive Sweetman (NUIM) and Paul Devereaux (UCD) – produces an 'Error 404' message, and Colin Scott's details are accessed when Ron Davies' details are sought.

There are four bloggers who post an average of one or more posts per week (number in brackets) – Karl Whelan (4.29), Richard Tol (3.33), Philip Lane (2.50) and Kevin O'Rourke (1.07). Meanwhile, a cluster of eight people blog, on average, above 0.30 per week. These include Liam Delaney (0.62), John McHale (0.43), Edgar Morgenroth (0.39), Brendan Walsh (0.35), Alan Matthews (0.34), John Fitz

Gerald (0.33), Gregory Connor (0.32), Colm McCarthy (0.31). In terms of volume – and no doubt quality - the loss of Ahearn (0.69) and Honohan (1.15) are notable, although Honohan makes a continuing imprint indirectly, with for example his interview with the *Telegraph* giving rise to 169 comments. There are no women represented in this most active group of 12, and only two in the group of 28. As one would expect, very few of the contributors – only Colin Scott (Law) and Sean O Riain (Sociology) – are not economists. All but two of the contributors are in jobs paid for by the Irish tax payer.

The web site is clearly laid out. The home page signposts you to recent posts; a categories section, where you can access contributions and comments by subject area (there are 25 subjects listed); list of contributors where you can access blogger details, including CVs; links; and an archives section which dates back to December 2008. There is also a provision for comment which, in order to submit a comment successfully, you have to leave email and name but can use a pseudonym (names used include Irishpancake, Tecumseh, 2Pack, SlaneMan and Bazza).

In a trawl through the environment category, topics addressed recently were (the numbers of comments in brackets): wasting money on roads (95); public service obligation (PSO) to subsidize generation of electricity from peat fired and wind powered electric plants (76); economics voodoo and climate policy (59); electric vehicles in Spain (56); incineration again (44); and wave power (41). The banking crisis topic area attracts the largest commentariat, with over 100 comments on a number of contributions in this area.

Presumably many people read without commenting; there are no data publicly available as to the extent of the readership for any particular blog.

The Importance of Newspapers

Many of the contributions are triggered by newspaper reports. This seems to give the lie to the notion that Blogs will replace newspapers. At least in this case, the bloggers depend on the latter as the hook for many of their contributions. But the traffic goes both ways. Irish Times' writers, Sarah Carey and Frank McDonald, both drew on blogs by Richard Tol and Edward Morgenroth respectively to anchor recent stories in their newspaper. And Sarah Carey, in another blog, made the wider point: Irish Economy is "driven by the demand for qualified opinion. We are in an economic crisis, and newspaper editors suddenly discovered they had no economists on staff! The academics could write all the blogs they want—but the financial crisis created the audience." And the economist bloggers really work for their audience. They tend to notice things normal, mainstream journalists don't that end up coming into the mainstream. Irish Economy is doing what everyone thought blogs would do. But, in Ireland anyway, this blog is unique. The fact that this one blog succeeds shows why the others have failed." <http://www.forbes.com/2010/01/26/ireland-blogs-twitter-media-opinions-columnists-trevor-butterworth.html#readerComments>

Questions

The following questions arise:

1. Is it sustainable? Most of the work – and it is considerable, requiring initial input and then reaction to the comments – is done by the 12 apostles, who are mostly seniors drawn from the professoriat, who are paid by the State, and for whom tenure and promotion are not an issue. Blog fatigue is a risk, and new recruits of high calibre may be hard to find. Only one of the Diaspora - John McHale, Queens, Canada – is a commentator.
2. Why do the contributors generally stay in their own silos, and don't interact with one another? There is some cross-over in regard to commentators. It would be good to see more between contributors.
3. Why are women not more active? Do they view it as a 'toys for the boys' scene – and there are, from time-to-time, touches of the alpha male syndrome evident? Or, do they have better things to do with their time?
4. Is it open? Blogs can collapse into self-regarding, incestuous cliques. While there are occasional descents into self-satisfaction; patronisation; and playing the man not the ball, in general, contributors and commentators stick to the facts and the issues, and there is enough variety amongst the latter to indicate that it's not a closed shop.
5. Is it informed? The Zen proverb comes to mind: 'Those who know do not say, those who say do not know'. Inevitably, the key players who see all the angles and are in the decision-making process are not direct players in the blogosphere. And there are few economists who can make bridges based on training and experience to any of the worlds of politics, farming, business, engineering, ecology and the arts. But these limitations of the contributors do not apply to all of the commentators, some of whom bring some of these perspectives to bear.
6. Does it entertain? Coming from the land of Swift, Shaw and Wilde, you might expect a little humour. You would be disappointed.
7. Does it generate vigorous debate? 'If you want an audience, start a fight' is an old Irish expression with a lot of validity. Samuel Johnson makes the case more elegantly. "It is advantageous to an author that his book should be attacked as well as praised. Fame is a shuttlecock. If it be stuck only at one end of the room, it will soon fall to the ground. To keep it up, it must be struck at both ends." There are not enough set pieces to create theatre. Richard Tol and I did our bit to have an argument (You can see the original piece and the ensuing comments at: <http://www.comharsdc.ie/blog/?p=233#comments>. The winner will be clear to the informed and impartial observer. But this is an exception.).
8. Is it of high quality? It provides great links to relevant and timely literature and analyses, and it generates - in some instances - very informed debate. It's the only place where official reports and policy statements get analysed, but the coverage is inevitably *ad hoc* and the treatment uneven.

Class assignment for Economics Students: Read carefully every contribution to Irish Economy by your professor or lecturer. Check the extent to which (1) their predictions have come true, and why they got it so wrong or right; (2) they have mobilised theory and evidence of quality in support of their case; (3) they have recognised incentives, tradeoffs, uncertainties, critical constraints and costs and benefits; (4) they have acknowledged mistakes and gaps in their knowledge. Provide a grade (A through F) and the reasons for same, and submit to Irish Economy, using an appropriate pseudonym.

Some Gaps

I haven't done what I suggest the students do, so I don't have an informed view, but I do have the impression that the following are inadequately considered:

- The given nature of the EU policy context: EU policy is sometimes poor – solid waste and waste water being two examples – but we have to take it as given and address our choices accordingly.
- In most cases we face trade-offs where there are significant issues and uncertainties around the choices and their implications – the Anglo Irish Bank fiasco seems to fit this description. Prescriptions that don't recognise these tradeoffs and uncertainties are of limited value.
- Technology and its evolution (or not) is key in shaping some choices. For example, if there is a serious breakthrough in improving the storage capacity of batteries at low cost, this will transform choices in regard to electric vehicles, and will also indirectly improve the viability of wind and other intermittent power. If this is not achieved, the prospects for these are seriously diminished.
- The coverage seems at times eccentric, driven as it often is by the latest headline. A case can be made that regaining productivity is the central challenge for the Irish economy, and it gets little explicit attention. But it may ask too much to expect prioritisation or comprehensiveness or a focus on long term fundamentals. Blogs are about the now.

And we need to remember that most of those involved have busy lives, are not paid for blogging; and they are exposing themselves in perpetuity to ex post analysis not only by critical students (see above), but by various psychoanalysts and hurlers on the ditch. I've been told that, with the right skills, it will be possible from forensic interrogation of the blogs over time to tell who was toilet trained too early (and too late). Most of us can live fulfilled lives without this information.

Conclusion

It passes John Lloyd's vacuousness test; there's enough meat in the sandwich to make it worth eating. We'll have a much better sense of quality when students undertake substantive ex-post analysis of the contributions and the comments. And post their findings on Irish Economy.

Name	Field (when provided)	No of recent posts	Oldest post	Most recent post	Approx No of Weeks	Average Post per Week	Affiliation	
Aedin Doris	Labour Economics	3	10 Mar 2009	6 Nov 09	34	0.09	Economics, NUIM	
Aidan Kane	Irish Pol Economy	2	25 Feb 2009	25 March 10	56	0.04	Economics, NUIG	
Alan Ahearne	Macro economics, inter. finance	9	7 Dec 2008	6 March 09	13	0.69	Bus & Ec, NUIG (now advisor to the Minister for Finance)	
Alan Barrett	Demog and Migrat. Research	Error 404	Not Found		NA	NA	ESRI	
Alan Matthews	EurAgricultural Policy	29	22 Dec 2008	29 Aug 10	86	0.34	Economics, TCD	
Brendan Walsh		27	22 Dec 2008	25 June 10	78	0.35	Economics, UCD	
Cathal Guiomard		1	7 Nov 2009		NA	NA	Commission for Aviation Regulation	
Colin Scott		15	05 June 09	23 June 10	54	0.28	Law, UCD	
Colm Hamon		8	13 Apr 2009	11 Feb 10	43	0.19	Economics and Geary Institute. UCD	
Colm Mc Carthy		27	12 Dec 2008	09 August 10	86	0.31	Economics, UCD	
Cormac O Grada		4	20 Jan 2009	03 November 10	92	0.04	Economics, UCD	
David Madden		6	18 May 2009	22 March 10	43	0.14	Economics UCD	
Edgar Morgenroth	Transport and infrastructure	14	5 Jan 2010	25 August 10	36	0.39	ESRI	
Frances Ruane		Error 404	Not Found		NA	NA	ESRI	
Frank Barry	Int trade, FDI, Economic Dev,	18	16 Jan 2009	15 June 10	73	0.25	Int Business and Ec Development, TCD	
Gregory Connor	Portfolio risk management	24	13 Feb 2009	29 July 10	75	0.32	Finance, NUIM	
Iulia Siedschlag	International Econ, Quant	10	8 Sep 2009	03 July 10	42	0.24	ESRI	
Jim O'Leary	Macroeconomics, applied econ	4	12 Dec 2008	02 April 10	16	0.25	Economics, NUIM	
John Fitz Gerald	Macroeconomics, energy, env	10	24 Dec 2008	21 July 10	30	0.33	ESRI	

John Mc Hale		30	5 May 2009	02 September 10	69	0.43	Business, Queens, Kingston Canada	
Karl Whelan		30	13 July 2010	01 September 10	7	4.29	Economics, UCD	
Kevin O'Rourke	History of globalization	30	6 Feb 2010	20 August 10	28	1.07	Economics, Trinity	
Liam Delaney	Behavior, health	30	18 June 2009	23 May 10	48	0.62	Geary Institute, UCD	
Michael Moore	International Econ and Finance	7	8 Oct 2009	31 August 10	46	0.15	Finance, Queens	
Olive Sweetman	Economics of Educ	Error 404	Not Found		NA	NA	Economics, NUIM	
Patrick Honohan	Fin systems in dev and trans economies	30	19 Jan 2009	18 July 09	26	1.15	Governor, Central Bank; Economics, TCD	
Paul Devereaux	Labour econ and applied econometrics	Error 404	Not Found		NA	NA	Economics and Geary Institute, UCD	
Paul Walsh	Development	6	11 Feb 2009	16 Aug 10	78	0.08	Politics; Geary Institute, UCD	
Philip Lane	International Macroeconomics	30	9 June 2010	01 September 10	12	2.50	Economics, TCD	
Richard Tol	Energy, environment and natural resources	30	26 June 2010	30 August 10	9	3.33	ESRI	
Ron Davies			Colin Scott's details appear		NA	NA		
Sean O Riain	Econ development and social inequality	6	30 Mar 2009	16 April 09	54	0.11	Sociology, NUIM	
Tim Callan	Taxation, welfare and pensions	1	15 Apr 2009	NA		NA	ESRI	

Appendix: Some Details on Contributors to the Irish Economy Blog

Source: Compiled from 'Contributors' on: irishconomy.ie