

THE IRISH ECONOMY

Boston University - Study Abroad

Dr Shaen Corbet

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Module Organisation Details

Lecturer	Dr Shaen Corbet
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Office Hours	Please email to arrange a meeting
Course Listing	CAS EC 372
Credits	4 BU Credits + 3 HUB Units
Prerequisites	EC101: Introductory Microeconomic Analysis EC102: Introductory Macroeconomic Analysis (or by permission of the instructor)

MODULE DESCRIPTION AND LEARNING GOALS

The Irish economic experience has been historically characterised by turbulence, excitement, optimism and despair. While world-leading in some aspects of our economic development, we are also severely lacking in other vital areas. The financial crisis of 2007-2013, caused by a banking system and property price collapse, was particularly severe and starkly exposed those aspects of the economy that work and those that need major improvement.

Within this context this module will analyse the Irish economy. We examine the history of Irish economic development from a rural farming-based economy to a leading export-led services economy. We critically evaluate the role of government policy and regulation, taxation, spending, and welfare. We analyse the key drivers of economic success: international trade, international relations, demographics, and education; and the key factors driving underperformance: regulation and competitiveness. We also focus on social justice in Ireland from an economic perspective and attempts to implement economic policies effectively using modern data analytic and social and personal psychology levers.

By the end of the module you will have an in-depth understanding of the Irish economic story. You will also gain insight into regional development, the European Union economic approach, and contrasts with the US economy.



The formal learning goals of the module are:

1. Evaluate the historic economic development of the Irish economy informed by statistical resources
2. Analyse and critique the characteristics of Ireland's current economic situation, including key strengths and deficits
3. Develop an understanding of Irish economic policy within an international context, particularly by reference to the wider European Union and the United States

HUB Learning Outcomes

Historical Consciousness

- Through engaging with the history and shifting economic contexts of Ireland, students will gain the knowledge necessary to discuss the Irish economy in a historically conscious and academically rigorous fashion.
- Students will demonstrate an ability to interpret primary source material using a range of interpretive skills and situating the material in its historical and cultural context as examined by individual and group assignments and an examination.
- Students will study the effects of socio-economic forces in detail with discussion of the influence of political organisations and sociological shifts through their influence on economic conditions.

Social Inquiry I (SO1)

- Through examining the evolution of social, political and cultural institutions within Ireland, students will gain an in-depth understanding of the forces affecting and shaping the Irish economy and the role of citizens within this context.

Research and Information Literacy (RIL)

- Sources and books are identified in advance of the course but are related to the programme. The main course book is O'Hagan, J. and C. Newman. 2014. *The Economy of Ireland*. 12th Edition. Gill & Macmillan. This is the bestselling textbook on the Irish economy. It consists of contributed chapters from academic leaders in Irish economic analysis and provides an excellent level of detail while also being written in an accessible manner. The module will closely follow this core text but students are also assigned supplementary readings and are asked to maintain a Research Blog that considers all of their views on a daily basis through the course, while monitoring real-world developments through a host of identified media outlets.
- Through in-class discussion, students will develop an understanding of the appraisal and significance of academic research within the field of economics. Both the Group Project and Written Response assignments will be directly informed by the research the students have gathered through engagement with their blog which will also provide a strong lead-in to the end of semester examination. Through their written and group-based assignments, students will gain experience of independent research to support their research questions, through engaging both with independently sourced academic publications and a number of additional resources listed in the course syllabus.

TEACHING STRATEGY AND LEARNING EXPECTATIONS

Module Assessment

Final Exam	Grade allocation: 30% Structure: Two hour exam. Answer two from a choice of five essay questions.
Group Project	Grade allocation: 30% Structure: Analyse an Irish economic policy using appropriate data and applied analysis
Written Responses to Class Discussions	Grade allocation: 30% Structure: Submit written responses to your choice of three from ten class discussion questions.
Class Participation	Grade allocation: 10% Structure: Actively participate in class discussions. Show evidence of prior reading through maintenance of a 'Research Blog'. Contribute to the class understanding of topics.

You are expected to attend and actively contribute to classes. This involves showing evidence of reading in preparation for classes, maintenance of your own personal research blog, and a willingness to offer your perspectives that will aid class understanding.

While under academic supervision, you will develop your own research questions, and receive feedback on your ideas for the group and individual projects. Additionally, through support from on-site staff, you will learn how to use library resources to search for and critically appraise relevant academic research.

Your research blog and independent research will provide a strong lead into both the group project and your individual written response. A general principle is that vibrant on-going class discussion leads to a better learning environment. All course notes will be provided in advance of the class on the module intranet.

Group project: This comprises 30 percent of the module grade. The group project will involve self-selected groups of two students, analysing a selected feature of Irish economic policy. You will be expected to demonstrate an in-depth understanding of the economic policy, drawing on official data sources to support your arguments, and showing an ability to apply theoretical research in a practical context. The format will be a 4,000 word report, and a 20 minute presentation where the notional target audience is public policymakers. Full details will be circulated in Week 3 of the course.

Written responses: This comprises 30 percent of the module grade. Each course topic will include a number of questions (1 to 2 usually) requiring wider reading on a subtopic. You are asked to select three of these questions and write 750 words analysing and evaluating each of the chosen topics.

Coursework deadlines need to be strictly adhered to, as you only have a limited amount of time in Dublin within which your contribution can be assessed. Late submission penalties of 1/3 of a letter grade per calendar day will be applied, although a strong preference will be for helping you in advance to avoid submitting late, and

unforeseen internship and personal issues that delay your ability to submit will be considered where appropriate and where these have been flagged in advance.

Please note that the Boston University Academic Conduct Code applies to this module. A reminder of the Code:

“It is every student’s responsibility to read the Boston University statement on plagiarism, which is available in the Academic Conduct Code. Students are advised that the penalty against students on a Boston University program for cheating on examinations or for plagiarism may be “...expulsion from the program or the University or such other penalty as may be recommended by the Committee on Student Academic Conduct, subject to approval by the Dean.” You can view the entire Academic Conduct Code here: <http://www.bu.edu/academics/resources/academic-conduct-code/>”

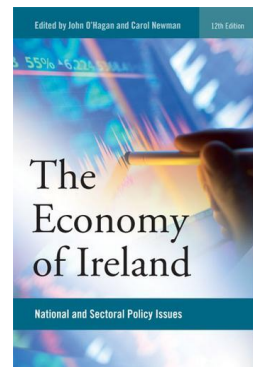
MODULE READINGS

REQUIRED TEXTBOOK

O’Hagan, J. and C. Newman. 2014. *The Economy of Ireland*. 12th Edition. Gill & Macmillan

This is the bestselling textbook on the Irish economy. It consists of contributed chapters from academic leaders in Irish economic analysis and provides an excellent level of detail while also being written in an accessible manner. The module will closely follow this core text.

The twelfth edition of this popular book surveys all major changes in the Irish economy in the past fifteen years, with particular emphasis on the last five years. In this new edition, the authors examine:



- The broad historical context to a study of the economy.
- Ireland’s hard landing, recovery and prospects for economic growth and employment in the years ahead.
- Energy and the environment, in particular the issue of security of supply.
- The changing role of the state in policymaking and the increasing importance of euro-zone governance and institutions, especially in the monetary area.
- Taxation in all its dimensions, including the issue of national debt.
- The importance of competitiveness as a major policy objective.
- The changing emphasis on quality-of-life indicators and distribution as objectives of policy.
- The role of regulation in various areas of the economy and society.
- Employment, unemployment and migration challenges facing Ireland.
- Evidence on and policy issues relating to income and wealth.
- The internationally traded sectors of manufacturing and services.
- The importance of the health and education sectors, the rationale for state intervention and measures of effectiveness
- The importance of the agri-food sector in terms of production, distribution and food safety.

ADDITIONAL USEFUL READINGS

- Barry, F. 2007. "Foreign Direct Investment and Institutional Co-evolution in Ireland" *Scandinavian Economic History Review*, 55(3), pp 262-288
- Brick, A., Nolan, A., O'Reilly, J., & Smith, S. 2013. Conflicting financial incentives in the Irish health-care system. *The Economic and Social Review*, 43(2, Summer), 273-301.
- Fitzgerald, J. 2013. "Two Recessions and a Boom: Where Next for Ireland?" in W. Huber, S. Mayer & J. Novak (eds.), *Irish Studies in Europe, Vol 4, Ireland in/and Europe: Cross-Currents and Exchanges*, pp. 173-188
- Gramlich, E. 2001. "Infrastructure and Economic Development" Texas Trade Corridors New Economy Conference, San Antonio available at:
- <http://federalreserve.gov/boarddocs/speeches/2001/20010803/default.htm>
- Harmon, C., H. Oosterbeek, I. Walker. 2003. "The Returns to Education: Microeconomics" *Journal of Economic Surveys*, 17(2), pp. 115-156.
- Inglehart, R., R. Foa, C. Peterson, and C. Welzel. 2008. "Development, Freedom, and Rising Happiness A Global Perspective (1981-2007)" *Perspectives on Psychological Science*, 3(4), pp 264-285.
- Kaitila, V., J. McQuinn, I. Siedschlag, X. Zhang. 2013. "International Investment and Firm Performance: Empirical Evidence from Small Open Economies", ETLA Reports No. 6 available at: http://esri.ie/publications/latest_publications/view/index.xml?id=3714
- Lane, P. 2010. "A New Fiscal Framework for Ireland" *Journal of Statistical and Social Inquiry Society of Ireland*, 39.
- Lewis, M. 2012. *Boomerang: Travels in the New Third World* W.W. Norton & Company
- Lucey, B., C. Larkin, and C. Gurdgiev. 2012. *What if Ireland Defaults?* Open Press
- Rodrik, D. 2000. "How Far Will International Economic Integration Go?" *Journal of Economic Perspectives*, 14(1), 177-186.
- Walsh, B. 2011. "Well-Being and Economic Conditions in Ireland" Working Paper, available at: http://www.ucd.ie/t4cms/WP11_27.pdf

Reports:

Accenture "Sustaining High Performance in Shared Services: An Irish Perspective", Dublin 2010

Department of Finance "Programme for Recovery 2011-2014", Dublin 2010

National Competitiveness Council "Ireland's Competitiveness Challenge 2014", Dublin 2014.

Blogs:

www.IrishEconomy.ie

www.TrueEconomics.blogspot.com

WEEK-BY-WEEK CLASS SCHEDULE (SUBJECT TO CHANGE)

Date	Description
	<u>Class 1&2:</u> Tigers and PIIGS – An overview of the rise of the Celtic Tiger and how Ireland became one of the PIIGS
	<u>Class 2&3:</u> The effects of BREXIT and the Tigers and PIIGS debate – student interaction and opinion regarding the rise and fall of the Celtic Tiger – we will be examining the data behind the collapse – the red flags ignored and the lessons learned
	<u>Class 4:</u> Irish government policy and the economy (CHAP 2&3)
	<u>Class 5:</u> Regulation and Competition (Examination of Ryanair and CHAP 5)
	<u>Class 6:</u> Education and health economics (CHAP 12 & 13)
	Reading week – No class
	<u>Class 7/8:</u> Historic view of the growth of the Irish Economy
	<u>Class 7/8:</u> The historic links between Ireland, the European Union and the United States
	<u>Class 9:</u> Key economic sectors and the influence of Foreign Direct Investment (CHAP 9&10) AND The road to recovery – An overview of the National Recovery Plan and what has happened since the crash
	<u>Class 10:</u> - Overview of the missed signals, the obvious red flags and what have we learned? (Plus a brief exam revision).
	<u>Class 11:</u> Presentation of Group Projects – The deadline for Group Project submission (worth 30% of overall grade)
	<u>Class 12:</u> Drop in class for revision and performance feedback
	<u>Final Examination:</u> 2 hours in duration (worth 30% of overall grade)