

Economic challenges prompt forward-looking plans and responses

Posted by Chad O'Connor

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Leading Cities, an international research collaborative of municipal governments and universities focused on exchanging solutions to municipal challenges, facilitating business development and fostering government-to-government cooperation, is currently leading a delegation of Greater Boston's business, civic, academic and non-profit leaders on its annual Exchange Mission to explore Dublin, Ireland. Delegates will bring back their findings and look for opportunities to share and apply them in the Boston area, beginning with Leading Cities' annual Chatham Forum. Read the previous post in this series [here](#) and [here](#).

By Tom Palmer and Robert Buckley

DUBLIN -- Many aging cities have pondered what to do with their outdated, underused, and often deteriorating industrial buildings -- sometimes blocks and blocks of them. Dublin was no different after a downward economic spiral in the 1970s and 1980s. The Docklands, a couple of hundred acres spread among the Royal and Grand Canals and the Liffey River in the older part of the city, had been virtually abandoned and seemed ripe for a shot of adrenaline.

That came in the 2000s in the form of generous tax incentives for owners to redevelop. Globally, it was facilitated by cheap money that was making itself available from the United States and Europe. There was significant regeneration in the district, and today there are restored brick warehouses and gleaming glass buildings housing new-economy businesses. The big names are there -- Google, Accenture, PricewaterhouseCoopers, Fidelity, HubSpot, Imagine Communications Group -- along with startups scrambling for success in places like Digital Hub, an incubation space.

It is 2013 now, however, and it is clear there was massive overexuberance in Ireland, which led to a development bubble on a scale that makes the U.S.'s problems of the period look pale in comparison. The government bailed out the big, bloated Anglo Irish Bank in this nationwide crisis, and taxpayers will be paying off the equivalent of \$90 billion in euros. That's a lot for a country of four million people.

As Brendan Williams, a lecturer in urban economics at University College Dublin, has written, the incentives were long, sound judgment was short. But the current Irish and Dublin governments and their advisers have plans and, necessarily, patience. Less generous forms of encouragement, along with some stricter oversight and milestones, will be required to fulfill the promise of the Docklands. A group of Boston business people have been touring Dublin this week under the Leading Cities banner. Irish politicians, business people, and intellectuals are clearly chastened by the recent mistakes but hardly paralyzed.

In the same recent years that the bad economic news was cascading in, the Science Gallery at 421-year-old Trinity College was launching a remarkable center that fuses science and art. The gleaming, adaptable space on a former parking lot creates themed exhibitions -- entertaining, stimulating, and effectively creating a "porous membrane" between campus and the rest of Dublin life. Breaking down walls and integrating academic and urban life might be something Boston-Cambridge and its famed institutions could try more of.

The Science Gallery is now so successful it is replicating itself in places like New York and Bangalore, and also sending its hands-on exhibits on road trips. "Immunology," "Risk Lab," and "Illusion" were some of the recent topics that were explored in this space where "ideas meet and opinions collide." Not least of the objectives here is to enhance youth interest in science, technology, and math.

As budgets necessarily get reduced in this rebuilding time, pockets of Dublin city government are showing creativity. Dierdre Ni Raghallaigh described how city managers formed Design Studio. When a derelict park needed to be redesigned, instead of letting a small group of bureaucrats decide the outcome they took to the streets with notepads, to take guidance from people who would actually use the park.

Ali Grehan, with the office of city architecture, wanted to change the perception of the role of design from luxurious afterthought to critical pre-requisite, and the community was galvanized with a near-win in their successful bid for the World Design Capital award. Her current project is Dublin House, in which pilot public housing was designed by the winner of 17 teams that participated in a competition. And Shane Waring, with a build-measure-learn approach under the Beta Projects rubric, combatted graffiti on traffic-signal boxes at intersections with opportunities for artists to create bright and lively public artwork. A process for developing innovative approaches to solving urban challenges was developed.

The new national budget of Prime Minister Enda Kenny's government comes out soon, and that sure-to-be-lean document will likely contain some new tax concepts and regulatory approaches for dealing with problems such as high unemployment.

The affable former Prime Minister, John Bruton, who as finance minister helped pry Ireland out of the doldrums in the 1980s, is now chairman of IFSC Ireland, a private organization that helps develop the financial services industry on the Isle.

Like most Irish who are closely watching a country they look up to, Bruton is shocked at the stalemate in the budget in Washington, D.C. He says Ireland learned a valuable if painful lesson in their own recent boom-bust. "The Celtic Tiger was largely a demographic phenomenon," he said -- "a product of a doubling of the workforce from '80s to '90s following a decade of public investment in education that allowed the boom in productivity rather than increased unemployment. The boom turned out to be temporary.

Lots of commitments were made that couldn't be kept -- second-home purchases and high living as well as contracts for public

pensions that extend long onto the horizon. Much longer than the booming economy could ever have endured, it turned out.

Roy Oâ€™Donnell, a city employee like his father and grandfather, doesnâ€™t let the macroproblems faze him. He just won an award for creativity in the extreme, having designed a new storm drain for Dublinâ€™s ancient streets. He credited his staff for the newly designed drain, which is easier to clean out, alleviates some of the serious flooding that the city has experienced lately, and so far has saved Dublin 304,000 euros, or more than \$400,000.

Irelandâ€™s drastic economic downturn froze development and economic growth, requiring government to reassess its responses to everyday problems and services. It has done that in some areas with new and creative strategies and is beginning to see results. Thereâ€™s work to do in Ireland, and itâ€™s getting done.

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