

# **POLICY, VISION AND GOOD GOVERNMENT IN NORTHERN IRELAND**

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## INTRODUCTION

The summary report below, and the more detailed annexes that it draws on, look at the way that policy for government has been made in Northern Ireland, especially during devolution.

They suggest that significant change in the approach to policy-making is needed in order to contribute to future prosperity and well-being, and the stability of power-sharing government (part A); and that a first step might be establishment of a think tank, independent of government, working across the economic and social policy fields (part B). Such institutions are widespread elsewhere: but not with us, and the report argues we have a particular need of them.

These ideas were the starting point for work that has gone on for the last three years to establish a think tank in Northern Ireland. They are one person's view – and others have since made a major contribution to the plans for the organisation, shortly to be launched under the title *Pivotal*.

The analysis embodied in this report largely predates the Assembly election of 2017, the political stand-off that left Northern Ireland without devolved government, and the recent revelations about the Renewable Heat Incentive. It draws lessons from that that might help a new Executive to deliver effectively, and have a coherent vision for the future.

The detailed annexes are in essence unchanged from early 2017: they do not attempt to analyse policy-making, or the lack of it, since then.

If devolved government not resume soon, however, the need to focus on future public policy is just as great, and a contribution from outside potentially all the more important.

The analysis and proposals here make no assumptions about the constitutional status of Northern Ireland. Whatever that may be, we shall face a similar range of public policy challenges, which are likely to need solutions adapted to our circumstances.

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## SUMMARY REPORT

### A. PUBLIC POLICY MAKING IN NORTHERN IRELAND

*We have a system of politics and government that has had some remarkable successes in resolving the conflict – but is shaped by it*

Despite recurrent turbulence at the political level, judged by what came before, the Good Friday Agreement institutions were on balance a great success. They delivered cross community administration, supporting a degree of cooperation in government, and more broadly throughout society, that would have been unimaginable in previous decades. In this way, they laid the ground for economic and social advance. The development of cross community consent for policing that flowed from the new political dispensation was a particularly striking, and essential, transformation.

For more than two years now the institutions have been in abeyance. But the broad architecture of the established model seems the only starting point for further progress: broader political imperatives mean there is no scope at present for radical institutional change. Direct rule, while it might resolve some immediate blockages in government, risks increasing tensions, would lack democratic legitimacy and cannot work in the long-term.

Various politically contentious issues have been discussed in talks between the Governments and the parties. But resolving those immediate issues alone is no guarantee of future stability and effectiveness in government, as is set out in the analysis below, and in more detail in Annex A.

The political system we have is shaped by Northern Ireland's particular circumstances, which at times makes good government especially difficult to achieve. And if government is chaotic or fails to deliver, the system is more fragile. New ways to support it are needed.

#### ***1. There are severe long-term challenges to prosperity and well-being in Northern Ireland, demanding a fuller policy response***

The Northern Ireland economic situation is in its fundamentals serious. Executives and governments tend to play up the better news. There have been real

successes, for example in attracting foreign investment and reducing unemployment levels, and some enterprises have achieved remarkable worldwide performances. But overall Northern Ireland has a small private sector with serious problems of competitiveness. Hence the Northern Ireland economy depends on high levels of funding from London. Meanwhile, public services, like health and education, have real problems.

There are also social challenges. Ambitious policy responses are needed but have not always been developed or carried through. The principle of a shared future is widely subscribed to, but while some “shared future” issues have had sustained attention, its full significance is far from fleshed out.

It is important that when devolved government is restored, there is an approach to public policy that will tackle the challenges.

**There is often a shortfall in ambition and aspiration about the long term: a lack of vision.** Vision in Northern Ireland politics has traditionally meant constitutional destiny: there is less thinking about what might be done apart from that. Neither constitutional change nor continuity, however, are likely of themselves to resolve many of our particular economic and social problems.

The absence of a clear positive vision left devolved Executives lacking any strong and wide-ranging sense of common purpose, and political debate remained overshadowed by the issues of the past; and it contributed to public disenchantment with politics.

Anecdotally the absence of such a vision, and ultimately of reasons for hope, may play its part in the decisions of many talented young people to leave Northern Ireland.

**Failure to develop public policy properly may imperil future stability.** In an incoherent debate, and with no positive narrative or goals that effectively bind the governing parties or the wider system together, there is a greater chance of politics running out of control at times of strain.

**Brexit may add significantly to the problems and risks.** It will create serious further economic challenges – though may also offer opportunities.

**The Renewable Heat Incentive affair pointed up serious questions over the capacity to conduct “good government” in Northern Ireland.** It raises doubts about the conduct and competence of the bureaucracy and of those in political life. It suggests that in some cases at least, there are limits to the ability to generate coherent policy, and implemented effectively; and in checks and balances external to government, in the Assembly and beyond.

## **2. There have been serious constraints on public policy development**

Why have we sometimes done government badly? Northern Ireland politics and government have been shaped by several decades of paramilitary conflict, and a long history before that of political division. This is reflected in the party system.

**Political debate has often been about past facing issues.** Economic and social policy were crowded out of the political and media agenda during the Troubles years, and often have been since.

Instability in the institutions further reduced the focus on real economic and social challenges. At times of hot political conflict, the system may enter a state of stasis: all attention moves away from core government issues, however important.

**The institutional structure has often got in the way of active resolution of problems: it has an inbuilt bias towards inaction and makes effective strategic planning harder.** It was designed primarily to offer a widely acceptable system of government, securing inclusion and minority protection. Questions of government efficiency were – rightly, given the stakes at the time – secondary.

The institutional structure lays emphasis on consensus decision-making as regards matters sufficiently important to come to the Executive. This made it harder to take action, and to ensure that policies – even once they had been decided on – were seen through. Lesser decisions were largely in the hands of individual ministers, with little authority in the centre to ensure coherence.

The way government was constituted meant that its members came together without a common purpose on many issues. Parties were shy of even considering issues, or encouraging others to do so, where agreement would be difficult.

So the Executive found it difficult to get to grips with problems which, though in the long term critical, posed no immediate existential threat.

**Financial consequences of economic and social policy have not been a spur to the institutions to do better – but they may start to bear in on us.** Because of the way Northern Ireland devolution is funded, Executive income is largely unaffected by the performance of the local economy. And traditionally, there has been an assumption that the UK Exchequer will make more money available if instability threatens. But these assumptions are less likely to hold in the future.

**The last Executive recognised the need to do things differently.** A range of developments was set in train with the potential to improve the way future Executives tackle policy formation – including the developing role within the Assembly for an Opposition. But it is unclear how effective they may be. In any event they still leave the initiative in policy matters with the Executive. And they follow models from elsewhere, where there is also a more or less thriving external public policy contribution. They are not an alternative to that.

**None of this is an attack on the model of devolution we have, nor politicians – the proposition is that their efforts need to be supplemented.** Elected representatives operate within the political context they are given. The present model of government is necessary in the broader interest, but it makes new ideas and hard decisions difficult. A better contribution from outside is needed. Many within politics might welcome that.

### ***3. Contribution to public policy from outside government has been limited***

**There have been important ventures outside government, but they have been limited in scale, impact and duration.** The think tank Democratic Dialogue once flourished but wound up about 10 years ago. The Centre for Economic Empowerment has done useful work more recently, but now lacks funding. The Centre for Economic Policy at Ulster University, relatively recently established, has been vigorous and effective, but is largely dependent on public funding. Other groups and individuals are usefully contributing to public policy, but their efforts are fragmented.

And impact can be achieved in making a case for change from outside government. The campaign to devolve Corporation Tax a few years ago is an instance.

But the Brexit debate before the referendum pointed up the weaknesses of the current Northern Ireland approach to public policy. Despite the acute impact on Northern Ireland, public discussion started much later than elsewhere in the UK, with little contribution from the Executive.

**These efforts have been limited because of a lack of demand.** The Executive was not always encouraging to outsiders with new ideas. Indeed anecdotally, there is evidence of some within the Executive discouraging criticism or controversial thoughts. Elsewhere, opposition parties champion new ideas: but we have not so far seen a great deal of this.

**And civic society has often been absent from wider public debate.** In some fields, there are substantial and vocal NGOs. There have been welcome signs of growing civil society contribution, especially after the fall of the Executive – with significant informed, and influential, commentary from academia. But generally there are limited structures for effective private involvement; along with a widespread habit of keeping heads down. And young people may be even more detached from politics in Northern Ireland than elsewhere.

**So groups and individuals who have sought to contribute have often struggled in adversity.** The public policy organisations we have had have tended to be small, and short lived, dependent on key individuals and on funding that at times dried up.

And overall, their efforts have rarely been enough to change the weather. They have not been able to achieve recognition, and political traction, for their ideas. They have lacked, in short, critical mass, and sufficient capacity to communicate widely and effectively.

UK based think tanks, although ostensibly including Northern Ireland in their remit, have rarely given it much attention; Dublin ones more so on occasion.

**4. Elsewhere, the contribution of external sources to public policy is an accepted, even indispensable element – Northern Ireland should follow**

Think tanks have a substantial presence in many Western systems. There are many in London, and significant players in Dublin; Edinburgh and Cardiff are also better served. Some think tanks are pure advocacy organisations, and some have a distinct political agenda – they are not a model for what is proposed here. Others, though, have developed a reputation for impartiality and rigour. They are often influential, a reflection of a growing belief that it is not healthy for public policy making to be the preserve of government alone.

**We need to do better, to ensure future well-being, prosperity and stability.** We need new ideas; but just as importantly, we need to focus the public debate more clearly on the realities, and to bring into it people who feel disengaged.

**Northern Ireland needs to find the ideas and leadership itself – they will not come from outside.** The British and Irish governments, heavily involved in shaping Northern Ireland's destiny before, are increasingly preoccupied elsewhere, and the London Dublin partnership is challenged by disagreement over Brexit. So far as they are involved, their efforts are likely to be focused on short-term political accommodation. Outsiders lack capacity and inclination to address the long term issues. Northern Ireland's future is more than ever in its own hands.



## **B. A NORTHERN IRELAND PUBLIC POLICY INSTITUTE**

### ***1. An independent think tank on economic and social issues would be a good starting point in doing better***

It is nothing like a complete answer to our political problems, but, properly done, could be a catalyst for much further change.

It would develop and promote debate on responses to key problems.

But it would have wider ambitions. It would aim to help people in Northern Ireland generate a vision for the future; and ultimately to influence the political culture and debate in Northern Ireland significantly, in a more forward-looking and reflective direction.

**It would have a key role under devolution, but would be at least as valuable if devolved government remains unachievable.** Political debate in that context is likely to remain negative; and there will probably not be within the British government much capacity or inclination to develop an imaginative public policy agenda. Identifying positive, future facing policies might play a part in the return of more stable devolved government.

**This therefore has to be a substantial project, and needs resourcing accordingly.** It must have the heft to take on a range of key public policy issues, and make a substantial impact a substantial impact in this way – as earlier efforts, for lack of size, breadth, and communication capacity, were not able to do.

### ***2. It needs to be carefully designed to meet our own circumstances***

The following points, set out in more detail in Annex B, are possible elements of a blueprint:

- **It must be independent, in particular of political and community allegiances.** It must be insulated from political pressure and wider political causes, and not be the captive of particular interests, business, academic or otherwise.
- **But it must work sensitively and supportively with the machinery of politics.** It must be ready to court unpopularity where necessary, but it

needs to work effectively with politicians, Executive and opposition impartially, and understand their constraints.

- **It must be highly competent technically.** It needs to master the large volume of complex policy thinking that goes on across the world – and then adapt it sensitively to Northern Ireland conditions.
- **But just as importantly it must be an effective communicator and facilitator of public debate.** It must be regularly turned to by the conventional media its fields of interest. But it must also be capable of communicating directly to wide audience using new media, including those who feel disengaged, and bringing new voices into the debate.
- **It should contribute across a wide range of economic, social and “good government” public policy issues** – including ultimately very sensitive ones like shared future. On the other hand, it cannot spread itself too widely: probably the “legacy” and institutional fields are ones where it would have less value to add.
- **It must be able to push policy beyond the outline stage towards implementation.** Bright ideas in outline are not enough – there needs to be a capacity to plan implementation, and to press for it over time, given that policy often falters in Northern Ireland after a decision to proceed.
- **Its core team will need highly capable people from a range of backgrounds.** It will need experts in policy, and in communication. Some may come from similar organisations elsewhere, but a substantial proportion must be people with a close understanding of Northern Ireland circumstances. The choice of director will be critical, though no one personality should completely dominate.
- **Just as importantly, however, it must draw in others from outside its core and give them a platform.** Northern Ireland is too small to neglect sources of expertise and innovation within the community.
- **The academic contribution will be crucial.** People within universities are often Northern Ireland’s acknowledged experts in their fields. They might, as in other well-regarded think tanks elsewhere, play a successful role, reflecting to the credit of themselves and their institutions.

- **Effective partnerships with similar institutions elsewhere in the world could also be critical.** Notably in London and Dublin, but also elsewhere in the UK, Europe and the US.
- **It needs a governance structure to bolster its independence of other institutions.** So it should not be part of any other institution, and must be distanced from sources of undue influence. But it must not be hostile to politicians – it should seek ways to involve them in an advisory capacity.
- **Its finances must also bolster independence.** That probably means, at least in the short run, substantial core funding from a range of philanthropic sources, institutional and individual, and perhaps also subscription. There may be ways in which Governments could contribute, without compromising independence, as happens elsewhere. But it must be clear that control of its agenda and its findings are beyond improper influence.

## **PUBLIC POLICY-MAKING IN NORTHERN IRELAND: AN ANALYSIS**

*This analysis is largely as drafted in late 2016, on the basis of experience with devolved government up to that point*

# I: A SYSTEM OF POLITICS AND GOVERNMENT THAT HAS HELPED RESOLVE, BUT IS SHAPED BY, CONFLICT

## **I.1: Politics in Northern Ireland is in many respects transformed since the Good Friday Agreement**

Judged by the standards of what had been thought possible before, the Good Friday Agreement institutions have recorded remarkable achievements, despite severe turbulence at the political level, since devolution was re-established in 2007.

Its general acceptance has been accompanied by a great reduction in the incidence of, and support for, paramilitarism, though loyalist and republican paramilitaries remain active. And – perhaps even more remarkably, given the historical context – policing now has widespread consent across the community.

Flawed as it is, essentially it is a system that works to a greater degree than probably could any other model at present. It is inevitably the jumping off point for improvement: there is no starting again with a different design.

## **I.2: But the political and government system bears a heavy imprint from earlier conditions**

Northern Ireland's politics and government have been shaped by several decades of paramilitary conflict, and a much longer history before that of community division.

This is still reflected in its party system, where four of the five main parties in the Northern Ireland Assembly draw support almost exclusively from one or other of the main communities in Northern Ireland, rather than being distinguished directly by economic and social ideology. While there are clearly some differences in outlook across the parties on economic and social issues, they very rarely shift votes from a nationalist to a unionist party, or vice versa.

And the past is also reflected in the institutions of the Good Friday Agreement, which embody this division along with a requirement to work across it.

The past still also casts a shadow over political debate in Northern Ireland, which for a number of decades was dominated by issues related to the constitutional and community divide, and to security. There was never a vigorous dialogue about most issues of economic and social policy during the Troubles years, and it has been slow to establish itself since.

One other consequence of history worth noting relates to the role of civic society. Many who, during the Troubles, would otherwise have spoken out, fought shy of involvement in public debate.

Northern Ireland became to a significant degree dependent, in its politics, on ideas coming from outside, notably the British and Irish governments (and at a later stage from the US). And

within Northern Ireland, development in many areas of public policy turned largely on initiatives, and funding, from the public sector. The idea of the all providing state became rooted, and to a large degree still is, intellectually as well as materially.

So the political culture, and the institutional structure, shape the context of public policy making. This annex explores how. The next one suggests ways in which the system might be helped better come to grips with the serious public policy challenges that face Northern Ireland.

### **1.3: None of what follows is an attack on politicians**

Politicians operate within the political context they are given, and that for the moment makes the finding common cause on difficult issues especially problematic.

This does suggest that new steps may be needed to help overcome the problems. Many in politics have shown an interest in developing policy in new directions, and might appreciate support in developing such thinking, particularly in bringing forward of challenging ideas.

## **2: THE PUBLIC POLICY CHALLENGES IN NORTHERN IRELAND, AND THE RISKS OF NOT TACKLING THEM**

### **2.1: There are severe long-term challenges to prosperity and well-being in Northern Ireland**

The challenges include, for example:

- Most obviously, the economic situation is acutely difficult. There is a very small private sector, which has had serious problems as to competitiveness, even by UK standards.
- The consequence of Northern Ireland's economic position, and its social problems, is that it depends heavily on transfers from the UK Exchequer, largely calculated under the Barnett Formula. In 2013-14, Northern Ireland ran a "fiscal deficit", the amount by which public sector revenue collected there fell short of total public expenditure, of £9.2 billion, or 27.9% of GVA<sup>1</sup>.
- Delivery of public services, notably health, has given rise to serious problems.
- There are serious challenges in the delivery of education and skills to important parts of the population
- There are serious social challenges in a community with high levels of economic inactivity and disability.

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<sup>1</sup> The figure for the UK as a whole (since the UK budget as a whole is still in deficit) is 7.5%. Per head of the population, the Northern Ireland deficit figure is substantially the highest for any part of the UK.

- A number of issues associated with community conflict continue to loom large politically, and potentially to be disruptive, such as regulation of parading and the pursuit of earlier criminal offences associated with the conflict. These have had substantial attention.
- Going beyond them, however, while there is a widespread commitment in principle to the idea of a “shared future”, and a reduction in sectarianism, these concepts are not widely discussed, nor plans for addressing them fully fleshed out.

On the other hand, Northern Ireland continues to have the highest personal well-being ratings when compared with the other constituent countries of the UK. But that is not a reason not to improve clearly challenged political arrangements.

## 2.2: The policy response to date leaves much more to be done

This is not the place for an overall assessment of the Executive’s response to the main policy challenges, which would clearly be a substantial task. But the experience in several key areas is illuminating.

**2.2.1: The economy.** The Executive set itself the target its 2008 to 2011 Programme for Government (though it did not include such a target in the later Programmes of 2011 and 2016) of halving the private sector productivity gap between Northern Ireland (NI) and the UK excluding the Greater South East of England by 2015.

It established an Independent Review of Economic Policy, and, in the light of its report, drew up Economic and Investment Strategies. These strategies have met with mixed success (though reports are published showing that the Executive has met a high proportion of its targets in purely numerical terms). A further draft Industrial Strategy was published for consultation in January 2017. Ministers have shown a strong commitment to pursuing Foreign Direct Investment – with significant success relative to the rest of the UK (itself a strong international performer in this market).

But there has been some apparent fall off in performance recently, and high rates of FDI have not been sufficient to increase significantly the size of the Northern Ireland private sector.

And more seriously the productivity gap with the UK as a whole continues to widen. Overall, relative performance, and competitiveness, have been in decline in the last five years, according to a comprehensive survey based on work by the University of Ulster Economic Policy Centre for the independent Economic Advisory Group released in August 2016, leading the Chair of the Group to call for a renewed focus at government level on longer term issues around increasing competitiveness<sup>2</sup>.

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<sup>2</sup> Her introduction summarised some of the key problems:

The one major innovation compared to direct rule policies that is currently in progress is the plan for devolution and reduction of Corporation Tax, discussed below. The devolved institutions, though, were not the key players in this change.

**2.2.2: Public services.** Here health looms largest. The Donaldson review of 2005 identified long-standing structural elements of the health and social care system that fundamentally damage its quality and safety, deploring aspects of local politics that might mean there is no hope of a more modern care system. Acting on its recommendation, an international panel under Professor Rafael Bengoa presented its report, which was published, with a plan for radical reform. The then health minister announced her 10 year vision for health and social care, based on Bengoa, in October 2016. These, however, are the latest in a line of reports and commitments, not yet fully acted on, and it remains to be seen whether fundamental reform will result.

The health field differs from some other policy areas in that there have at least been investigations of what was wrong, and the possible ways forward. But so far the Executive has not been able to take resolute action in pursuit of them. In other areas, the investigation of problems and solutions has often simply not taken place.

**2.2.3: The shared future agenda.** The First and deputy First Ministers produced a paper, *Together: Building A United Community* in 2013, albeit after very long delays. It had a number of ambitious proposals, but it is not clear that implementation has matched the ambitions outlined.

On some of the more contentious issues around parades, flags in the past, the Executive invited Dr Richard Haass and Prof Meghan O’Sullivan to take forward a dialogue in late 2013. They did that with great energy: but the political talks they chaired reached no conclusion. These issues featured in the political talks of 2014 and 2015, but most remain unresolved (a range of issues around flags, identity, culture and tradition is being examined by a Commission established in 2016 under the 2014 agreement).

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The scale of the competitiveness challenge for NI should not be underestimated. In particular, compared to our reference countries in the OECD, levels of economic inactivity remain persistently high, as do levels of benefit dependency. This links directly to our much greater reliance on the public sector and public expenditure more generally, where new challenges arise as part of UK austerity policies. NI may not have to “balance the books” due to the subvention from Westminster, but tough decisions will be needed to manage a much tighter public expenditure environment. There are positives for NI in the Scorecard. We have seen business performance improve in recent years, driven by a strong FDI proposition, with environmental sustainability and quality of life also moving in the right direction. But this is not enough. NI’s overall competitiveness ranking in many key areas is simply too low, reflecting its weak performance on productivity, employment & labour supply and macro & fiscal sustainability. Whilst our performance has improved somewhat over the five year period, other regions have improved more quickly, so that our comparative position has worsened. If NI is to deliver upon the economic aspirations in the Programme for Government and the Economic Strategy, it must play to its relative strengths and improve performance in a number of areas. This requires confident, challenged policy development in those areas over which we can bring influence to bear. NI now needs to start focussing once again on longer term issues around competitiveness, rather than maintain the shorter term focus on jobs which has been evident (and indeed necessary) in recent years as it emerged from the downturn.



But the more fundamental issues relating to community division remain ungrasped. There is not for the moment even a widely accepted agenda of the issues that a “shared future” would involve.

**2.2.4: Welfare.** Welfare occupied a great deal of the public debate in the years 2013 to 2015. But the questions publicly debated were almost all around whether or not to accept cuts imposed from London. It was otherwise largely a policy free discussion, however, at least until aspects of the issue were remitted at the end of the conflict to a committee under Prof Eileen Evason. There was little serious debate as to what welfare policy made sense in the Northern Ireland context, again an issue that might have been fraught with political difficulty.

The Executive has led on these aspects of policy (except in the case of Corporation Tax). The Assembly’s contribution has been essentially reactive. It is hard to find instances of its committees taking a significant initiative in the policy field: party discipline seems often to prevail over independent thought. A number of individual backbenchers have made notable contributions, however.

### **2.3: Lack of effective policy-making and implementation, and of a longer term vision, may risk well-being, prosperity – and also stability**

It is hard to be confident that the present approach to policy will be radically more successful in dealing with Northern Ireland’s economic and social challenges in the future than it has been to date, even if devolution is successfully restored.

This may lead to less than ideal choices at the level of individual policies, which cumulatively prejudice Northern Ireland’s prosperity and well-being.

But it may also lead to a continuing poverty of ambition and aspiration about what might be achieved in Northern Ireland in the longer term. The lack of any such vision is damaging. It is liable to contribute to disenchantment with politics; it squanders a continuing international goodwill; it is liable to leave political debates dominated by the issues of the past; it may help persuade the most talented young people to leave.

And the failure to explore policy options properly may also carry continuing risks to stability in the future. At times in recent years the future of the institutions appeared to be threatened over issues like welfare, where the fundamentals had not been discussed seriously. A more intelligent public policy debate in advance might have led to greater rationality. An outside focus on promoting sustainable energy, indeed, or perhaps simply a political climate in which policy was more rigorously questioned, might have avoided some of the difficulties that arose with the Renewable Heat Incentive.

The self-interest of those involved may mean they will be reluctant to let the institutions collapse. But there is a danger that, in testing times, politics will run out of control, so that

leaderships feel compelled by their support base to take up positions from which they cannot compromise. And where this leads to public spending problems, a crisis can come on particularly quickly. Coherent discussion helps defuse these risks.

## **2.4 The British (and Irish and US) institutions have not filled the gap, and cannot**

These governments – and sometimes legislatures – have been extremely active in Northern Ireland affairs in the past.

But they have generally ventured into the devolved field only in the course of negotiation to resolve political conflicts that impacted on the stability of the overall settlement. That is a role within their accepted responsibilities. It is harder for them to get into some of the core longer term economic and social issues.

The Corporation Tax question, which brought in many of those issues, was a hybrid one in constitutional terms, since the tax was originally not a devolved matter. The UK government used bargaining leverage at times in negotiations with the Executive to advance other economic objectives.

But the governments cannot as a matter of constitutional propriety dictate the generality of economic and social policy to a devolved administration. And more fundamentally they may lack either the capacity or the inclination to do so. The Irish government may at times, as it has in recent years over Brexit, apply significant effort to an issue, because it has profound implications in their context. But generally these governments have enough to preoccupy them without addressing Northern Ireland issues – and for many outside Northern Ireland the attitude is that its problems are essentially settled.

## **3. THE CONSTRAINTS ON BETTER PUBLIC POLICY DEVELOPMENT WITHIN PRESENT ARRANGEMENTS**

### **3.1: The focus of public debate and political dialogue has traditionally been on issues related to the conflict**

For 50 years the political process and the news agenda were dominated by the traditional constitutional questions, the immediate security situation and the longer term outworkings of the Troubles.

It was around these issues that the parties currently in the forefront of politics developed, and won electoral success. They have been the chief focus of interventions from outside, by the British, Irish and US governments, and private interests.

They have continued to occupy a large part of the agenda. And during the devolved years, there have been recurrent political crises related to these issues that have very quickly seized back the headlines, and the political initiative. Scandals can grab the political agenda to the near

exclusion of any other issue. There are not many voices during the crises seeking to bring the discussion back to less readily accessible questions of public policy, which have much less traction in Northern Ireland politics.

There has at times been much discussion of “austerity” in general terms, but much less thought about the sort of economic and social future more generally Northern Ireland might have. Indeed, there is a striking absence of any vision of what it might become, the main parties confining their essential vision to either continuing the British link, or moving to a united Ireland.

The institutions have incurred widespread public dissatisfaction (shown for example [here](#)), but the present arrangements seemed to offer little sanction: community division of politics in Northern Ireland means that many voters feel they have nowhere else to go.

### **3.2: The political institutions were designed to resolve conflict, more than to deliver good government**

The Good Friday Agreement, as slightly modified by later agreements, set up a system (outlined [here](#)) whose chief features were dictated primarily by the need to find basis for a widely acceptable system of government, rather than the most efficient one. It was designed to secure inclusion, with substantial protections for minorities. It brings together, in the wider interests of the need to involve all parts of the community in government, parties with limited community of outlook – even less, perhaps, than is the case generally with coalitions.

The emphasis on consensus decision-making sometimes inhibits an active response to problems. The tendency is towards stasis. The system has found it especially difficult to get to grips with issues which, though in the long term critical, pose no immediate existential threat to it. And in the often elaborate processes through which policy is worked up, there is a good chance of a difficult policy running aground even after a decision in principle to pursue it.

The governing parties may at times be reluctant for issues on which they would find agreement difficult even to be raised. The same factors probably account for the failure of the Northern Ireland Assembly to take forward significant policy initiatives of its own.

The Executive is also not well configured for joining up to deal with crosscutting policy issues: the institutional structures emphasise the independence of each Department, under its Minister, who is in practice removable only by his or her party.

None of this need inhibit prompt and decisive action, if there is sufficient resolve among the governing parties, but in its absence, efforts are liable to peter out.

### 3.3: Financial incentives to do better have limited impact, though this may change in the future

In principle, the financial consequences of success or failure in economic and social policies should be a spur to government to do better. But the system of funding Northern Ireland devolution under the Barnett formula masks the signals. Executive income at present is largely independent of the state of the economy.

And there has traditionally been an assumption within the Northern Ireland political system, and more widely across the community, that the British and Irish governments will ultimately help resolve matters if political crises occur; in particular, that more money will be made available by the British government, rather than risk challenges to stability in Northern Ireland. When this proposition has been tested, it has often been borne out. This is a sort of institutional moral hazard: the Northern Ireland political system does not have to face the consequences of its decisions.

But there has been a greater reluctance on the part of UK governments to provide significant funding in recent years than previously. With the devolution of Corporation Tax, Northern Ireland's revenues will to a greater degree depend on economic performance. And Northern Ireland's favourable position within the UK funding system depends on the Barnett Formula, which is politically closely tied to the circumstances of Scottish devolution. Those are changing, and may change radically further, potentially presaging changes to the Barnett system. Devolution within England may further point up disparities in funding (and the expectation of local initiative in resolving problems).

In future, the Northern Ireland Executive's spending capacity may much more fully reflect the condition of its economy: and getting policy right will be even more important.

### 3.4: There are institutional developments that may have a positive effect on the Executive's performance

A range of institutional developments has taken place, or may potentially come about, that may have an effect on the way that public policy develops.

- The Northern Ireland Assembly now formally recognises an Opposition, with certain privileges and a small amount of financial support. The Ulster Unionist Party and the Social Democratic and Labour Party declined the places in the Executive formed after the May 2016 elections that their party strengths would have entitled them to, and claimed official opposition status under legislation passed at the end of the previous Assembly term. The Alliance Party similarly declined a place, but fell slightly under the numerical threshold for official opposition status.
- A Draft Programme for Government Framework was presented by the FM and DFM in May 2016. It centred on an outcomes-based approach, unlike its predecessors. Though agreed immediately after the election, it had been the subject of a good deal of preparatory work before, drawing on studies of "whole of government approaches",

and on well-being. It was the subject of public consultation; but the hiatus in devolved government intervened. Some work has continued, following the lines agreed by the Executive, including the production of an Outcomes Delivery Plan in 2018.

- The machinery of the Northern Ireland Executive has been streamlined: the number of departments was reduced in 2016 from 12 to 9, which in principle improves the prospects of successful policies that cut across the work of different areas of the Executive.
- Under paragraph 5.1 of section D (page 26) of the Fresh Start agreement of November 2015, the Executive commits to establish an Independent Fiscal Council for Northern Ireland, to prepare annual reports on the Executive’s revenue and spending, and on the sustainability of the its finances – to some degree paralleling the Office for Budget Responsibility in London. There seems little public indication of progress.
- Under the Stormont House Agreement, followed up by the Fresh Start agreement (section F, paragraph 67), a compact Civic Advisory Panel was to be established to consider key social, cultural and economic issues identified or approved by the Executive, two a year, conducting research and proactive engagement with people outside government. It would have a one-person Secretariat. Its establishment was announced, with minimal profile, in December 2016. It appears to have met several times, but now to be suspended with the other devolved institutions.

Further internal steps appeared before the Executive fell to be on the way<sup>3</sup>.

### 3.5: But the effect of these developments is uncertain, and they are not a full answer

It is unclear what these developments generally may amount to. The ambitions are high.

But it is less obvious how much political buy in there has been: there was been little discussion of them among politicians or in the media. Until the salience of public policy development to the political process is increased, those involved may labour in virtuous, and to some extent ineffectual, obscurity. The Programme for Government, if it is to achieve real impact, may benefit from external research on objectives and indicators.

Illustrative of this is the treatment of the Public Governance Review commissioned by the Executive from the OECD, as part of the Stormont House Agreement. Its 500 page report was published in September 2016. It emphasised the need to improve strategic approaches, to enable the Executive to execute a “vision-based whole-of-government strategy”, with greater authority for the centre of government. It also urged increased engagement and transparency, and improvement in operational delivery. It highlighted many failings and areas for

<sup>3</sup> As part of its internal reform programmes, the Executive established a cross sector Innovation Strategy, and Public Sector Innovation Labs. The DUP manifesto for the 2016 Assembly election includes a commitment (page 28) to a What Works Centre, to ‘enable policy makers, commissioners and practitioners to make decisions based upon strong evidence of what works and to provide cost-efficient, useful services’. This builds on a British government initiative to “prioritise the use of evidence in decision-making”. There is also a commitment to establishing “an Office of Data Analytics [to] examine existing government data to find better ways of doing things and tackling difficult issues”, drawing on a US model. It is not clear if these proposals have been taken up.

improvement, from a technical point of view. But there was notably little public discussion of it, and no sign of its messages acquiring any political traction. There appeared not to be a market for discussion of these issues.

And even at best, the changes that were set in train still for the most part leave the initiative in policy matters with the Executive. It is they who decide what issues to look at, what to avoid, and who set the pace.

In any event, such changes might complement, but they do not supplant the need for, outside involvement in public policy issues. Quite largely they follow models from other jurisdictions, where there is a much more significant external public policy contribution.

## 4: CONTRIBUTIONS TO PUBLIC POLICY FROM OUTSIDE GOVERNMENT IN NORTHERN IRELAND

### 4.1: There have been important ventures in outside policy-making, but they have been limited in scale, impact and duration

Northern Ireland has had over recent years had a number of organisations operating in the public policy development field.

**4.1.1: Democratic Dialogue.** The best known of these ventures, self-described as a think tank, *Democratic Dialogue* was established in 1995 (its reports and papers are still available [here](#)). It operated<sup>4</sup> for a number of years, sustained by charitable donations and some grant income. But it ceased to function about 10 years ago.

Some of those involved with *Democratic Dialogue* in 2009 formed *Platform for Change* as a “voice the citizens who believe that now is the time for a new politics”: but it wound up in 2015.

**4.1.2: The Centre for Economic Empowerment.** The *Centre for Economic Empowerment* within the Northern Ireland Council for Voluntary Associations has to some extent functioned as a think tank in recent years. It has operated by commissioning external research – rather than conducting it in house – on economic issues of general interest to the voluntary sector. In fact it ranged more widely than that

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<sup>4</sup> According to the CAIN archive which now preserves its papers, ‘Democratic Dialogue was set up in 1995, in the wake of the paramilitary ceasefires, as a think tank geared to stimulating fresh approaches to the political problems of Northern Ireland, as well as addressing long-neglected economic, social and cultural questions. DD benefited greatly from the experience of the independent Opsahl Commission of 1992-93, which demonstrated an untapped appetite in Northern Ireland for broader political participation and a willingness to engage with issues in a rational way.

Between its establishment and the Belfast Agreement, DD generated eight substantial policy reports, [and] wrote a large number of published and commissioned policy papers. This effectively completed an agenda determined at a well-attended launch conference in 1995.

In the new context, DD then worked to help flesh out the institutions signalled by the accord, as the parties elaborated the new government structures internal to the region, the new north-south institutions in Ireland and the new relationships across the islands of Britain and Ireland. It was at the heart of the work on the Civic Forum, and supported civil-society participation in the new dispensation. It mixed stimulating outside speakers with round-table debates, to generate the fresh thinking and publications such challenges as these require’.

rubric might imply, for example covering the possible further devolution of fiscal powers to the Assembly – an issue much debated in Scotland, but very little in Northern Ireland. It has also undertaken training on economic issues for people in the voluntary sector. It was funded by charitable donations. But for the moment its activities have come to an end, for lack of funds.

**4.1.3: Economic institutions.** The Centre for Economic Policy at Ulster University is thriving. It was established in 2012 with the aim that it would ‘regularly assess the state of the economy as well as informing and critiquing Northern Ireland Executive policies’. It produces regular reports on the economic outlook and ad hoc on other issues-such as the Costs of Division in Northern Ireland society, a commission deriving from the Stormont House Agreement of 2015. It is largely funded from the Northern Ireland Executive, with contributions also from organisations outside government, and fee income for commissioned research projects.

The Nevin Economic Research Institute, funded by a number of the trade unions and operating out of Dublin as well as Belfast, has since 2012 provided economic analysis on a range of issues, most notably in the recent past Brexit.

There have in the past been other bodies considering Northern Ireland’s economic future, to some degree outside government. The Northern Ireland Economic Council was set up by the Secretary of State for Northern Ireland in 1977 with a wide remit to provide independent advice to Government on the development of economic policy for Northern Ireland. The Council was based on social partnership, with five members nominated by trade union interests, five by industrial and commercial interests and a number of independents. It had a small staff, including economists who produced much of its output, though it also commissioned outside consultants.

There was also an academic research centre located at Queen’s University Belfast, the Northern Ireland Economic Research Centre. It was merged with the Economic Council in January 2004 to create the Economic Research Institute of Northern Ireland. The new organisation was funded by the Office of First and Deputy First Minister, but closed in 2011 after an independent review concluded that the new institute failed to fulfil its mandate and did not represent value for money.

Capacity is now more limited. There is an Economic Advisory Group reporting to the Economy minister, but without independent staff – it is supported from within his department. It appears to have been inactive since the fall of the Executive.

**4.1.4: Other university institutions.** Queen’s University had an Institute of Governance established with philanthropic donations and dedicated to public policy issues<sup>5</sup>, but it ceased to operate some years ago. It developed QPOL, now Queen’s Policy Engagement, established “to improve the accessibility of, and engagement with,

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<sup>5</sup> according to its website "The Institute of Governance, Public Policy and Social Research is an interdisciplinary research centre which brings together practitioners and researchers in the field of public policy and governance from Queen's University, other universities throughout the world and the wider policy community"

the ... research base at Queen's University Belfast in policy relevant areas" – although in its own description as a "front door" for access to academics, working through social media and collaborative events, not an institution in its own right. It has recently expanded its activity. Other institutions within universities conduct research and events relevant to public policy, for example the [Transitional Justice Institute](#) at Ulster University.

**4.1.5: Specialised groups.** Examples include the [Centre for Cross-Border Studies](#), which for some years has promoted cooperation across the border, and conducts research and analysis in support – including some on the implications of Brexit. [EUDebateNI](#) was set up to inform the Brexit debate, and contributed analysis (largely provided by academics from Queen's University) before and after the referendum.

**4.1.6: Media and other public fora.** There are players within the Northern Ireland media sphere who concentrate on public policy. The website [The Detail](#) specialises in investigation and analysis, including detailed crunching data, intended to "fuel progressive debate". It is a not-for-profit organisation, funded from "philanthropic, public and private sources". The political blog [sluggerotoole.com](#) sometimes covers public policy issues, as does <https://www.northernslant.com/>. They, and Twitter, sometimes carry illuminating contributions from private commentators. The UK forum [The Conversation](#), which offers a platform for academics and researchers to offer commentary to the wider community, carries a number of Northern Ireland pieces.

**4.1.7: Private institutions.** The employers' organisations the [CBI](#) and the [Northern Ireland Chamber of Commerce and Industry](#) also produce some original policy papers. And they have been involved in the initiative to devolve responsibility for Corporation Tax, considered below. Some Northern Ireland banks and consultancy firms also offer research and commentary on public policy issues. NGOs especially in the rights and social fields do the same.

**4.1.8: Consultations.** Many organisations, public, third sector and private, whether they do proactive policy work or not, respond to government policy consultations. This should not be underrated as a contribution to the public policy development process – though there appear to be no studies of the impact in Northern Ireland. But it is necessarily a limited one – even if responses are effective, it cannot significantly shape the agenda, which is set by the Executive.

**4.1.9: Conferences etc.** Finally, there are regular conferences that at times have made a significant contribution to policy development. The leading example is perhaps the [British-Irish Association](#), which holds a yearly conference. Summer schools, a notable feature of political life in the South, are less prevalent in Northern Ireland.

There are **London based think tanks** which ostensibly include Northern Ireland within their remit. But they have appeared reluctant to become involved in Northern Ireland affairs – even those with a sense of regional vocation like [IPPR](#), which has established branches in the North of England and in Scotland. Presumably, as often with London based institutions, they consider



Northern Ireland to have problems of a distinct kind and doubt their ability to become usefully engaged. They have conducted little significant work in Northern Ireland.

**Dublin think tanks** have been largely focused on the South. But they have at times considered issues of cross-border significance, for example the substantial body of work on Brexit done by IIEA, beginning well before most others focused.

#### 4.2: The campaign over Corporation Tax shows what can be achieved

One campaign that started outside government illustrates how it is possible to influence public policy from outside. This concerned the devolution of Corporation Tax, with a view to then reducing the headline rate to levels competitive with the Republic of Ireland. The law has now changed to permit devolution, and the Executive committed to bringing in a reduced rate by 2018, though progress has been stalled by the absence of Ministers.

The case for the devolution of the tax, to be followed by a reduction in the rate, in order to encourage further investment, especially from overseas investors, had been made by a number of players in Northern Ireland, ever since the Republic reduced its rates radically. A detailed study led by Sir David Varney was commissioned, by the UK Government. The Government institutionally saw many disadvantages in the measure. The Varney review reported negatively in 2007. But the argument was renewed by a group of business people and economists calling themselves the Northern Ireland Economic Reform Group.

The case was not at first sight an easy one in political terms: reducing the tax from the UK headline rate of 28% (at which it stood at that point), to attract investors who might be tempted by the Republic's 12.5% rate, would be expensive. Under the EU State Aid rules as interpreted by the European Court of Justice in the Azores ruling, it could only be achieved by devolving responsibility for the tax, and the Northern Ireland Exchequer picking up the bill – the Treasury could not lawfully compensate it.

The proponents of change were helped by the fact that the UK Secretary of State appointed in the UK coalition Government of 2010, Owen Paterson, was an enthusiast and had himself written on the subject in Opposition – though many others in UK Government were sceptical. The Government produced a consultation paper in 2011 that canvassed views, but reached no conclusion on devolving the tax.

An organisation called GrowNI, involving some of the NIERG players, along with the CBI, NICCI and various business and other organisations, was launched to campaign for devolution.

Ultimately, this was successful: key players within the UK Government became persuaded of the merits of the change, and legislation to permit devolution was passed in early 2015. As part of the Fresh Start Agreement of November 2015, NI Executive committed to a commencement date for devolution of April 2018, and a Northern Ireland Corporation Tax rate of 12.5%.

This would probably be the greatest change in Northern Ireland economic policy in the last 20 years. Several points are worth noting:

- the case for change was made essentially outside devolved government, and was ultimately successful;
- devolved politicians – all five parties in the Executive, though there were individual dissidents – came on board for change remarkably readily – new ideas can quickly change the weather;
- to some degree, however, they did so because of broader political resonances – for example nationalists welcomed the fact that under the new arrangements Corporation Tax could be reduced and hence “harmonised” across the island of Ireland – whilst some Unionists opposed the reduction on the basis that it marked a departure from unified UK arrangements;
- the system only appeared fully to register the magnitude of the cost later;
- the key public sector player was the UK government, not Northern Ireland Executive.

Because of reductions in the UK rate announced subsequently, the cost is now likely to be lower than earlier estimated.

### **4.3: The public debate on Brexit showed the weaknesses of the current Northern Ireland approach to public policy**

Although Northern Ireland is in many ways affected differently, sometimes more acutely, by the possible implications of the UK leaving the European Union than are other areas, the debate started very late in Northern Ireland, and on the basis of very limited information.

The Executive undertook little analysis of the issues before the referendum (and published less). And does not appear to have contributed significantly to developing British government thinking on the issue. Indeed it did not seek to reach a common position of its own on any question before the referendum, presumably because the predominant political outlooks in each of the parties were thought to allow no flexibility to do so.

The media devoted limited coverage to the issue. The discussion in Northern Ireland really only started after the appearance of EUDebateNI, which published a briefing paper in late 2015 on the main issues. The organisation was minimally staffed: work on the briefing paper was led by academics at QUB. EUDNI followed this up with other explanatory material, and organised a number of open meetings to discuss aspects of the issue (and has continued in being since the referendum). The Centre for Cross-Border Studies also made a significant external contribution to the debate; as did the Institute for International and European Affairs in Dublin.

This effort fed gradually into a more informed media coverage of the issues. But this was at a much later stage than the debate had taken off in the rest of the UK (which is not to suggest that debate there was at all satisfactory).

Since the referendum, there has been rather more public discussion, fed not least by academics. The Executive contributed little to it – the one substantial contribution coming when then First and deputy First Ministers wrote to the Prime Minister setting out their

preferences for a Brexit deal. This embodied obvious compromises: it was however a much more ambitious attempt at an agreed Northern Ireland position on Brexit than anything since.

## 5. WHY IS THERE NOT MORE PUBLIC POLICY EFFORT OUTSIDE GOVERNMENT IN NORTHERN IRELAND?

### 5.1: There has been a lack of demand for such work...

**The Executive has not generally encouraged outside bodies to look at public policy issues**, particularly difficult ones. There are exceptions, which prove the value of such work, for example –

- the work of Dr Richard Haass in 2013 on issues around flags and identity, regulation of parades and handling of the past. His appointment was essentially made to help resolve the political stand-off, but he carried out extensive engagement with a range of community interests, and moved the debate on, even though it did not lead to an immediate political resolution.
- the work of the Ulster University Economic Policy Centre for the Economic Advisory Group on competitiveness, conducted in 2016, although more in the domain of analysis than prescription, is potentially a foundation for significant policy advance.
- The acute nature of the problems with the health system have led to a series of thoroughgoing reports, with proposals for ways forward – though not yet followed up by far-reaching reform.

But this is not typical.

**Indeed anecdotally, there is evidence of discouragement from political sources of criticism or controversial ideas** coming from business, academia or NGOs. And given the dependence of organisations in Northern Ireland on state money or favour, there is a chilling effect on independent endeavours stemming from the belief that the authorities must not be upset. The belief is a widespread one, whether true or not, and the effect is all the greater because Northern Ireland is a small place. Some in business would assert that some in politics show a particular lack of awareness of the needs of the economy.

**We have lacked the opposition parties that elsewhere are often champions of new ideas**, and think tanks and the like may work with them – sometimes those organisations are politically aligned. But formal opposition forces have been very few in the Northern Ireland Assembly until recently.

**Media reporting, though with distinguished exceptions, tends to focus on the short term**, the political game of the moment – though the media has shown energy and resource in

pursuing issues, more than some of the institutions. This is in any event not to blame the media, but they are part of a circular phenomenon by which current politics dictates a restricted media agenda, which in turn impacts on the pressures on the political class. Pressure to address long-term issues is not at the moment substantial.

### **5.2: There has also been a shortage of supply of public policy thinking; and where public policy institutions have been established, they have, often through no fault of their own, failed to make an impact**

The tradition of keeping down of heads in civic society has to a large degree continued.

There have been heroic ventures, sometimes established in adverse circumstances, offering interesting ideas, and initiating a dialogue on difficult issues. But generally they have tended to be small, some funded by philanthropy, some within universities, some dependent on the public sector. And they have often been short lived. And as a matter of impression – there is no formal evaluation – their impact down the years on Executive policy, and on wider public debate, has to be recognised as limited.

Why has this been so? The reasons are varied, but the institutions generally have been small, and often dependent on key individuals. They have also been heavily dependent on limited sources of funding, and at times funding ran out for reasons nothing to do with the worth of their work.

But the more fundamental explanation is perhaps that they have failed to change the weather, to achieve recognition, hence make their ideas politically more attractive, and give traction to them. This comes down to a lack of heft: the absence of critical mass, of name recognition and of sufficient capacity to communicate their ideas widely and effectively.

## **6: PUBLIC POLICY MAKING OUTSIDE NORTHERN IRELAND**

### **6.1: Elsewhere, the contribution of external sources is an accepted, even indispensable, element in public policy-making**

There are no public policy paradises. Politics frequently gets in the way of outcomes that policy analysts might regard as optimal, in London, Dublin and across the world. But very widely across the Western world, in jurisdictions large and small, there is now a significantly greater range of outside contribution to public policy than there is in Northern Ireland. In Washington and in London, outside institutions are so fully established that they are now clearly a substantial part of the public policy process; in Dublin they also play a significant role.

The Think Tanks and Civil Societies Program at the University of Pennsylvania produces annual listings (and rankings) of think tanks round the world. It lists 321 in the United Kingdom, though it is not comprehensive – there are distinguished omissions; and 16 in the Republic of Ireland. It does not appear that any of the entries involve Northern Ireland institutions.

Indeed impressionistically – there do not appear to be any studies – in many areas of UK policy making these institutions may now constitute the main part of the longer term public policy effort – with government departments, much reduced in size in recent years, focusing on the shorter term.

That may not be ideal either. But the prevalence of these institutions suggests that they have a value, and that is no longer thought healthy for public policy-making to be essentially the preserve of the government alone.

There has been no time in the preparation of this paper for a detailed study of the impact of think tanks elsewhere in these islands, or beyond. Developing a deeper understanding of this, and relations with the institutions concerned, will be an important element in taking forward the ideas here.

## **A PUBLIC POLICY INSTITUTE FOR NORTHERN IRELAND**

*These proposals are essentially as drafted in late 2016. Much thought has since gone into the shaping of Pivotal, the new public policy forum for Northern Ireland – but to a large degree the principles set out here still hold*

# I. MOVING POLITICS FORWARD IN NORTHERN IRELAND

## **I.1: A greater outside contribution to public affairs is common elsewhere, and there is a particular need for it in Northern Ireland**

Starting from the analysis in Annex A, the argument is made here that Northern Ireland needs to find new ways to develop public policy outside government. It goes on to outline a plan for a new public policy institute – not as a panacea, but as a first step.

This suggestion is not for anything radically different from Northern Ireland from what is done elsewhere. On the contrary, it suggests bringing Northern Ireland into line with much of the Western hemisphere, and not least elsewhere in the UK and Ireland, where public policy is increasingly recognised not to be the exclusive preserve of government, and institutions have developed reflecting that.

But the analysis suggests there are reasons why Northern Ireland can particularly benefit:

- The nature of our government arrangements, required by wider considerations, mean that new public policy, where it involves difficult decisions, is hard to develop and implement. Hence difficult decisions are sometimes not made; future challenges are not always met in advance.
- And the politics of Northern Ireland has also inhibited the development of a clear and inspiring vision for the future, outside the constitutional issue of whether to remain part of the UK, or join a united Ireland. Without this, government lacks direction.
- This is widely perceived by people here. Politics in Northern Ireland is, possibly even more than elsewhere, a bubble activity for which most of the people feel do not feel much empathy.
- There are tendencies to instability in the Northern Ireland system, as has been seen repeatedly over recent years. A more balanced and informed public policy debate can be a corrective to this.
- The long-established recourse to the British, Irish and American governments to keep Northern Ireland affairs on track is increasingly unreliable, as those governments find themselves fully occupied on other issues.
- Brexit raises just the sort of issues that the Northern Ireland system is challenged in dealing with. An outside contribution may lead to a more coherent debate, better decisions, and fewer risks to stability.

## **I.2: A single institution is not the whole answer: we need a more active and assertive civic society**

Creating a think tank is not the sole, or perhaps even the main, change that is needed to improve the working of politics and government in Northern Ireland. It is critical to bring more

voices into political debate in Northern Ireland – not least among those who remain underrepresented, including young people whose views typically may differ strongly from those of older people, but who often do not vote; and women, who have traditionally been underrepresented (though the election of the 2017 Assembly marked a further improvement in representation).

### **I.3: But a flag bearer public policy institute would be an excellent starting point and a catalyst for change**

A single institution covering a wide range of issues has a better chance of achieving “critical mass”, necessary for attracting political and media attention.

It would then be better placed to develop demand for public policy innovation; provide the technical support necessary for a more enlightened debate; help build capacity among those with fresh ideas; and give them a platform.

In time this might encourage the development of other policy development mechanisms, perhaps smaller and more specialised.

### **I.4: This has to be a substantial project, aimed at influencing the political culture of Northern Ireland – and therefore depends on a relatively large scale initial funding**

The stakes are high. We clearly cannot hope to have institutions on the scale of the major Washington or London think tanks. But the Northern Ireland institute must have the heft to take on a range of key public policy issues, and inform debate on them: it will go the way of earlier efforts if it cannot make a substantial impact. It probably cannot hope to match the funding of the Dublin Economic and Social Research Institute, with a budget of €12m pa; it might hope at some stage to reach the scale of the IIEA there, with rather more than €1m.

### **I.5: Why should such an Institute succeed, where others have failed?**

If a policy Institute can establish a significant presence for itself, then it has a chance to change the political climate, to create a greater openness for public policy debate. And thus it would develop the market for its own work. It might establish a presence, by being the go to source for media on difficult public affairs issues within its remit, as think tanks elsewhere have often succeeded in doing.

Times may now be more propitious than they were a few years ago for such an institution. Elected representatives recognise that there is a need for them to deliver: public tolerance of failure is increasingly thin. It ought to be more possible now to persuade them that, over time, such an institution, in bringing forward necessary, but not always popular, new thinking, is the ally of those working for good government; and in improving the prospects for long term policy making offers the foundation ultimately to raise their standing with the electorate.



## 2: MODELS OF THINK TANK ELSEWHERE

### 2.1: There is a wide range of models of think tank

In various Western states, there is a wide range of organisations and individuals contributing to public policy development outside, whether they are called think tanks or not.

### 2.2: The organisational status of think tanks and similar organisations varies widely

- the classic model of a think tank is something entirely freestanding, with “significant independence from anyone interest group or donor, and autonomous in operation and funding from government”, according to the [University of Pennsylvania Think Tanks and Civil Societies Program](#). The UPenn analysis also recognises a “quasi independent” category, involving autonomy from government, but control by an interest group donor or contracting agency that has a significant influence. Some may be more or less closely affiliated to a political party, others not. Organisations like [IPPR](#) or [Demos](#) or [Policy Exchange](#) in London, [Democratic Dialogue](#) in the past in Belfast, the [Institute of International and European Affairs](#) in Dublin fall into these categories.
- They may in some way form part of academia. Some are entirely within a university, like the [Centre for Economic Policy](#) at [Ulster University](#), or the [Constitution Unit](#) at [University College London](#). Or they may have close links – for example, a significant element of the staff of the [Institute of Fiscal Studies](#) in London has been drawn from the [Economics Faculty of University College London](#).
- They may be within government, or in the UPenn category of “quasi governmental”, that is funded exclusively by government grants and contracts – as was the case with, [ERINI](#) in Northern Ireland, and some decades ago, the [Central Policy Review Staff](#) in the [Cabinet Office](#).
- They may be Parliamentary bodies, like the [Parliamentary Office of Science and Technology](#) at [Westminster](#), or the [Scottish Futures Forum](#) in [Edinburgh](#).
- Some think tanks develop distinct offshoots elsewhere – like [IPPR North](#), or various [Brookings Institution Centres](#) around the world. And there are often partnerships between otherwise distinct entities in different places.

### 2.3 Funding models are also diverse

There are subscription institutions, such as the [Institute of Welsh Affairs](#), which has been in existence since 1986, and claims to be “the first think tank to develop on the basis of a membership model”, and the [IIEA](#) in Dublin.

An institution may receive public grants or endowments.

It may finance itself entirely from income for individual projects, whether from public bodies, grant awarding institutions, private philanthropy or elsewhere – this is the basis on which IPPR is funded.

There may be funding from private philanthropy. So the Institute for Government in London is substantially financed by one of the Sainsbury Family Charitable Trusts.

There may be mixed models – perhaps all the more necessary in smaller jurisdictions, where resources are limited. So there may be an element of public finance, but with a significant private contribution to give a measure of protection against undue influence.

#### **2.4: The focus of institutions also varies**

Some are general-purpose, with a remit to investigate policy across a wide range – as with institutions like Demos and IPPR in London, or ESRI in Dublin.

Others are more narrowly focused, such as the Irish Institute for European Affairs in Dublin, or the Institute of Fiscal Studies in London, which specialises in microeconomic issues.

There is a lot of experience for Northern Ireland to learn from, but no off-the-shelf model. We need to develop something to meet our own needs.

## **3: AN OUTLINE SPECIFICATION FOR A NORTHERN IRELAND PUBLIC POLICY INSTITUTE**

Drawing on the analysis above, the following are suggested as parameters for a Northern Ireland public policy institute.

### **3.1: It must be independent, in particular of political or community allegiances**

It is an essential feature of its role that it is conspicuously independent-

- insulated from political pressure, from the Executive or otherwise
- able to speak freely
- clearly detached from wider political causes
- ...and certainly from perceived community allegiance or constitutional aspiration
- Nor a captive of particular interests, business, academic, or otherwise

### **3.2: But it must work sensitively and supportively with the machinery of politics**

Whilst being willing to say unpopular things, which is a large part of its rationale, it must be politically sensitive in putting forward challenging ideas, or it will lack the ability to persuade.

And it must not be hostile to, indeed must, while preserving its independence, work effectively with politicians:

- Seeking to persuade them, and others, of the value of an institution outside politics bringing forward new thinking
- Working with the Executive and Opposition impartially

**3.3: It must be highly competent technically...**

- Not merely offering journalistic commentary but
- Able to work with complex economic and social policy ideas
- Closely plugged into Northern Ireland conditions
- But also to thinking elsewhere.

**3.4: But it must also be an effective communicator in public debate...**

- Able to influence public debate directly, and not just in political “bubble” circles
- Through a range of media – new modes, capable of expanding the range of people in the dialogue ...
- But also the more traditional media, earning the trust to be turned to for contributions by print and electronic media on any issues within its sphere

**3.5: It must contribute across a wide range of economic and social public policy issues...**

including potentially very sensitive ones around the shared future agenda

**3.6: Though the “traditional” issues, and governance issues may be too great a complication, certainly at first**

Does it become involved in "legacy" issues that are still central to debate in Northern Ireland – like handling the past, regulation of parading? Probably not, since they are already widely explored, and the difficulty in moving forward is to do with lack of political agreement. Many are in any event to be looked at by the Commission on Flags, Identity, Culture and Tradition, though in the upshot of the Commission’s report there may be scope for focused work. But the priority is the unexplored issues.

Does it assess the performance of the institutions themselves? There is arguably a need for this – not so much with a view to any major restructuring of the Good Friday Agreement institutions, which is unlikely to be politically feasible in the foreseeable future, but to improving the effective performance of the institutions we have. But this is a more specialist field, and probably not one where the new institute should direct its efforts initially. It may be a parallel project to be pursued by another venture.

**3.7: Initial work of an Institute might include an assessment of economic and social priorities**

- imparting coherence to the debate, analysing difficult issues, drawing in thinking
- then it needs to develop, with stakeholders, its own priorities for projects on economic and social issues
- and its strategy for contributing to a longer term vision for Northern Ireland

**3.8: It must be capable not only of developing outline policy, but planning or overseeing and encouraging its implementation**

There has been a tendency for progress to falter within the devolved institutions as policies are worked up. So an Institute ought to be capable of planning and perhaps taking on stages beyond the initial conception of policy; and being an effective advocate for its vigorous implementation.

**3.9: Hence it will need to recruit highly able people from a range of backgrounds**

It will need a director who is capable of dealing with complex policy ideas, but is also an effective leader and communicator – though there are dangers in having too dominant a presence at the top, and it will need a balanced team, capable of meeting the technical and communications requirements.

Judging by UK think tanks, staff might be drawn from a variety of backgrounds in Northern Ireland – for example academics, people who have worked in political or representative organisations, or in the third sector, or former civil servants. It might be useful to have on board people with experience in think tanks elsewhere.

**3.10: It needs to collaborate with other players, inside Northern Ireland**

Some of its personnel would be part of a full-time core; others may be associates whose main work is elsewhere. Northern Ireland is not large enough that we can neglect any current area of public policy expertise. An Institute must offer an effective platform and resource for others interested in public policy development.

**3.11: In particular, the academic contribution will be crucial**

Individual academics are leaders in parts of this field, and units within the universities have made a substantial contribution to the outside policy effort, so far as we have had one.

Ways need to be found – as with other successful think tanks elsewhere – to bring them into the mix, individually and perhaps corporately. We need to draw on models from elsewhere by which institutions and think tanks, whilst independent, have developed ways of working together for mutual benefit and credit.

**3.12: Effective partnerships with similar institutions elsewhere could be critical**

Size means we need to tap into ideas from elsewhere: London, Dublin, Edinburgh, Cardiff... And beyond.

There is goodwill within Britain and Ireland, and in the US, that may facilitate this.

Northern Ireland's background as a society that has successfully handled conflict means that we may at times have a distinctive contribution to make in return.

In the initial phase, such collaboration could be very valuable. It might come from UK or Irish think tanks in pursuit of their existing geographic remits. Feasibly, it could also come from

further afield, perhaps the US, where interest in Northern Ireland affairs is at times been significant.

### **3.13: Governance must bolster independence**

To maintain its independent standing and freedom of action, the Institute should be a distinct entity, not part of any other.

Hence its governance:

- Must embody strong safeguards for independence
- but ensure the political world can feel that it is listening, and not hostile: so there might be an advisory forum including figures from political life
- And given the importance of the University contribution, the governance might have a strong university representation

### **3.14: Financial arrangements must also bolster independence**

Initial arrangements need to guarantee its independence and its ability to grow the market in policy development.

So probably, initially, it would be dependent mainly on private core funding, and perhaps subscriptions.

It needs to be explored whether there are ways in which the Executive, or the Governments, could contribute to financing without the reality or perception of independence being questioned – something the ESRI in Dublin appears to have accomplished successfully.

The aim in the medium term might be to fund on a package of project income, subscription, and public finance if sufficient safeguards can be found. But the Institute would need to develop a range of funding options: it cannot proceed on the basis of aiming to ingratiate itself with the Executive or Assembly.

### **3.15: There will be a range of immediate questions to resolve**

For example legal foundation (including whether to pursue charitable status), structures and staffing requirements (in the light of likely finance), an initial agenda and targets for moving towards full establishment.