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'The 2020 election was hugely significant'

Aidan Regan on the historic realignment in Irish politics — and the prospects and challenges of the potential new government

All governments since the foundation of the Irish State in 1922 have been led by centre-right Fianna Fáil or Fine Gael and its predecessor. But they have never ruled together. Now, four months after an electoral earthquake that saw left-wing Sinn Féin almost become the largest party, the former rivals agreed on forming a coalition that also includes the Green Party. How did this come about? And did the Covid-19 pandemic play any role?

The centre-right Fianna Fáil and Fine Gael as well as the Green party have "negotiated" a programme for government. But they still need to get approval from their members and their parliamentary party. The Green party needs a two-third majority of their members to support the programme for government. So whilst these parties have agreed on forming a coalition, it is still not guaranteed.

Both Fine Gael and Fianna Fáil refused to negotiate with Sinn Féin. Therefore, numerically, no government could be formed without Fianna Fáil and Fine Gael coming together. It was the only possible option. However, they still needed a third party. The Greens won 12 seats in the election and have emerged as a bridge between the centre-right and centre-left in parliament.

The Covid-19 crisis made it easier for Fine Gael and Fianna Fáil to justify coming together. They do not differ much in terms of policy. Their difference is purely party identity and, historically, they have been anchored in different electoral bases. Covid-19 clearly influenced the negotiations and the detail of the proposed programme for government. It continues a commitment to a fiscal stimulus, although it does not specify the details or the amount. It also commits to an investment-led recovery, aimed at supporting small businesses most affected by the crisis.

In the midst of this pandemic, a looming economic recession and the perpetual climate crisis, the parties published their coalition agreement, which speaks of Ireland's "defining moment". Does it live up to the rhetoric?

The proposed programme "Our shared future" is built around 12 missions. Central to these are according priority to quality of life issues, improving societal wellbeing and committing the government to creating new measurements of economic welfare. Whilst there are some concrete details – particularly around public transport, climate targets, cycling and public housing – for the most part, the document is left intentionally vague. It signals the direction of travel for the next government, which certainly has a green flavour to it. But I am not quite sure I would describe it as a defining moment. It is ambitious, but ambition is not implementation. So everything depends on whether the government can match their ambitious missions with concrete action plans to deliver.

The Green party heavily influenced the programme for government and won significant concessions from the centre-right. This includes a commitment to legislate for zero net carbon emissions by 2050, new petrol or diesel car registrations from 2030 and a 7 per cent reduction in emissions every year. They also secured a shift in the transport budget away from private car usage toward public transport and cycling. But this may not be enough to win over their younger left-leaning membership.

The crisis held up the negotiations at first. At the beginning, Fine Gael signalled a strong commitment to fiscal deficit reduction, which was widely interpreted as a return to austerity. This is something that the Greens resisted. The change in the wider EU context and the lower interest rate environment, in the end, probably made it easier to justify a fiscal stimulus. It also enabled a narrative around a green friendly investment-led recovery to emerge.

What are, in your opinion, the biggest tasks Irish politics has to deal with?

The task facing the government is getting back to full employment and introducing policy changes to manage a just transition to a decarbonised economy. To pay for the cash and income support provided to households during the crisis, in addition to extra expenditures on healthcare and a fiscal stimulus to kick-start domestic demand for small businesses, requires significant public borrowing. This borrowing is affordable and there seems to be a consensus that borrowing to invest in capital and public infrastructure – housing, transport, clean energy – is money well spent.

The challenge facing the government is generating new revenue to pay for any increased current expenditures and any increased expansion of public services. The programme for government continues a long tradition in Irish politics of wanting more and better public services and infrastructure, without any tax changes. The programme contains Green preferences on public investment and Fine Gael's centre-right preference for no tax increases. It contains the language of a centre-left government without the tax changes required to really be a centre-left government. The biggest challenge facing the new government is squaring this circle.

How did the left-wing opposition camp react to the coalition agreement?

The 2020 election was hugely significant because it was the first time the two centre-right parties received less than 50 per cent of the votes, and less than half the seats in parliament. The winner was the left-nationalist Sinn Fein, who campaigned on a broad left populist platform. They have maintained the argument since the election that they won and that they have been locked out of government by the centre-right who have refused to speak with them.

Hence, their reaction to the proposed programme for government is that it is a cartel designed to block change – and block the will of the people. This narrative ignores the fact that Fianna Fáil and Fine Gael have democratically come together; and have more seats than the left bloc in parliament. The Greens have provided a bridge to allow them to reach a majority in parliament. The far-left response to the document is that it will commit Ireland to a path of permanent austerity, fails to deal with the housing crisis and fails to build mass public housing to match Ireland's housing needs.

The new lower house of the Irish legislature, the Dáil Éireann, now actually looks like many other parliaments in Europe – divided along the lines of left and right. What does this new political constellation mean for Irish politics?

It means that the public policy debate is likely to become more politicised and polarised. This is why the government is keen to have a stable majority in parliament, to avoid the Greens leaving government to join the left opposition. Fine Gael are perhaps less concerned about facing a new election, as they have received a strong boost in the polls in response to how they have handled the crisis. Fianna Fail would lose the most.

The programme for government contains the language of the centre-left, which suggests that Fianna Fail and Fine Gael have read the

mood of the electorate quite well. Research I have done with my colleague, Stefan Müller, for example, suggests that the median voter in Ireland self-identifies on the centre-left. This is a historic change. So the changed left/right constellation in parliament arguably reflects the changed constellation of voter preferences. In Ireland, younger educated urban voters, with lower incomes, are most likely to identify on the left, whereas older less educated voters, on high incomes, are most likely to identify on the right. So what we are witnessing in Ireland is an interesting case of socio-structural changes in the economy and labour market spilling over into changed electoral preferences and party politics.

This interview was conducted by Daniel Kopp.



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