

# Is it time (once again) for the idea of the Dublin-Belfast Economic Corridor?

## 6<sup>th</sup> Sir George Quigley Memorial Lecture

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[ulster.ac.uk](http://ulster.ac.uk)



# Background to the Economic Corridor in the 1990s

# Single markets, peripherality and economic corridors

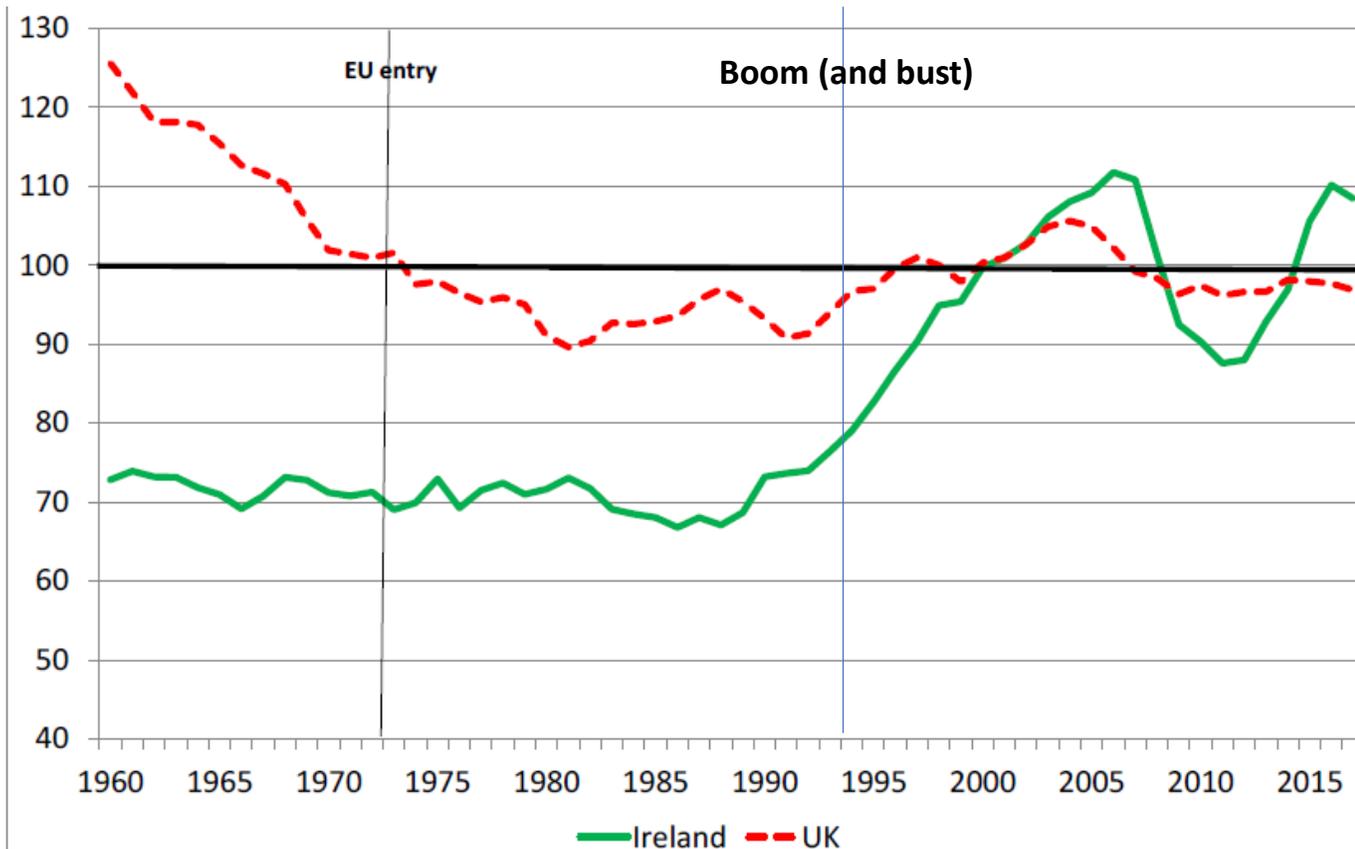
- A period of common membership of North and South in the *new Single European Market* alongside concerns about peripherality and new forces of competition:

*Both North and South would have signally failed to give substance to the 1992 concept if occupying a small island on the periphery of the EC they neglected or were unable to function as a single market (1992)*

- Emergence of the idea of economic corridors where urban poles are not only drivers of growth but can also become more connected along the corridors between (the USA and Europe were looked at for examples) – a ***mode of combatting or avoiding greater divergence***

# From lagging to convergence in the 1990s

Ireland's GNI relative to EU-15 and UK GDP per capita



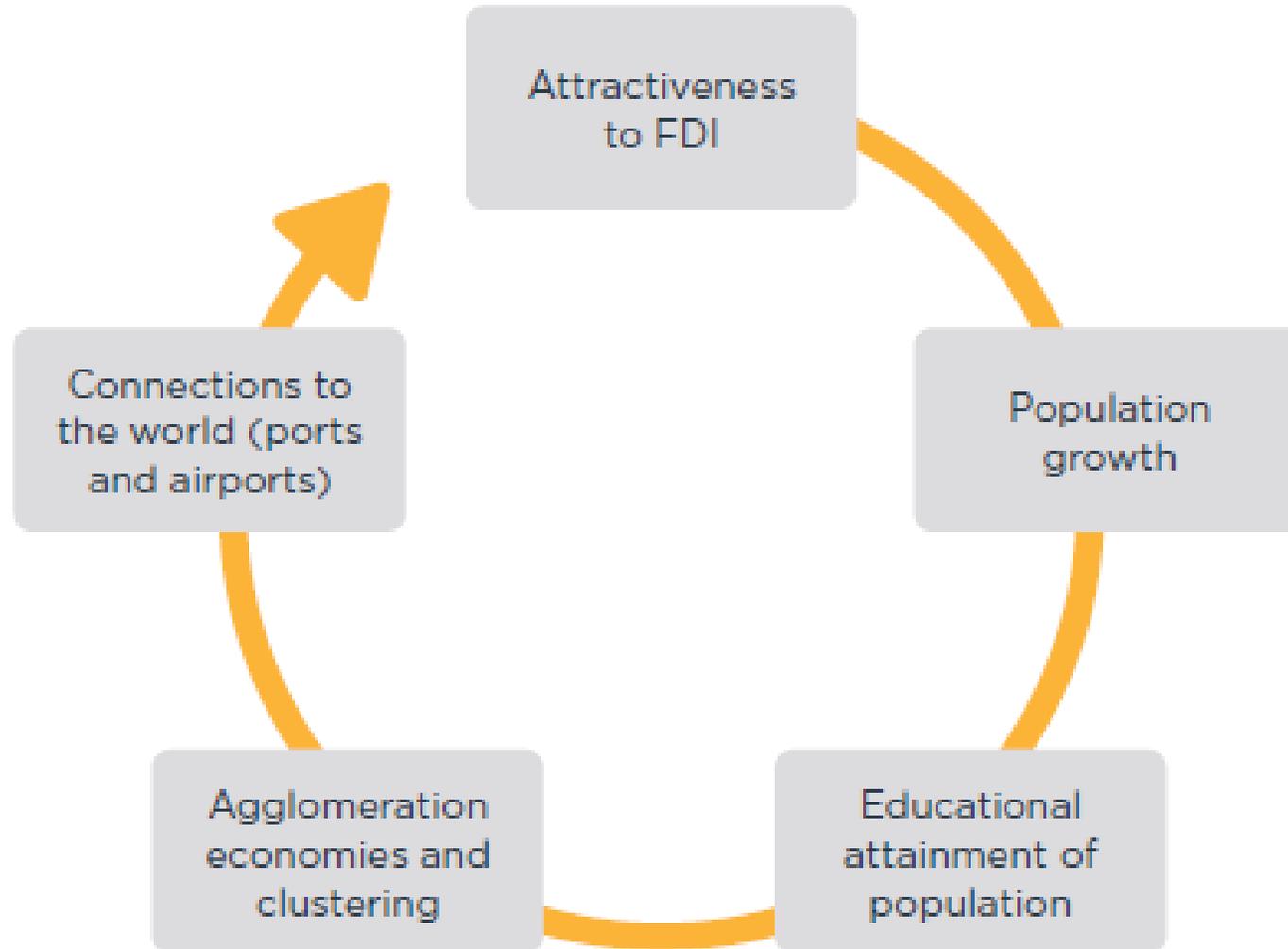
- The late 1980s and early 1990s saw the beginning of the 'Celtic Tiger' and the taking off of the South's economy (not always obviously)
- Growing hopes for the North's economy with talk of 'peace dividends' and 'Growth Challenges'

# Globalisation, a world without borders and the challenges of connection

- Globally, world merchandise trade relative to GDP rose by 50% while capital mobility soared – with reductions in transport and communication costs
- The 1990s – or at least the first two thirds of it – was the *era of talk of the 'end of geography', 'death of distance' and the 'borderless world'*: the sense that borders and entire state-based orders were being replaced by a hyper-globalised world
- At this time the pressing challenge of *poor linking infrastructure* (both road and rail on the eastern seaboard) was obvious to all

# Where is the Dublin-Belfast Economic Corridor now and where might it go?

# Strengths reflect an intensification of historical development patterns ...



# ... while key sectors raise legacies, jobs and the meaning of specialisation

- Current sectoral strengths show *influence of FDI focus* (eg: Life & Health Sciences and ICT), prevailing *traditions* (eg: Agri-Food and Tourism) and the *city effects* (eg: Education and Public Admin.)
- Question of just how specialised is the Corridor compared to the rest of the island? – in employment terms less so in Production sub-sectors than in Tradeable Services
- *Smart/wise specialisation?* Mixed evidence of the engagement in this process

# Plus c'est meme chose ... or has much changed over time?

- Increasingly a *younger, more diverse and educated population* with 15% born off the island and 34% with degree qualification or higher
- Cross-border trade much enhanced since the 1990s – opportunities remain and perhaps with a broader (off-island) goal in mind
- Significant expansion of research and innovation-led centres with coordination of effort the next step
- *Some proximity* in all kinds of sectoral ecosystems but on a Corridor-wide basis *less evidence of clusters* than might be expected/believed

# New challenges to add to the old ones we have struggled to solve

## The acute

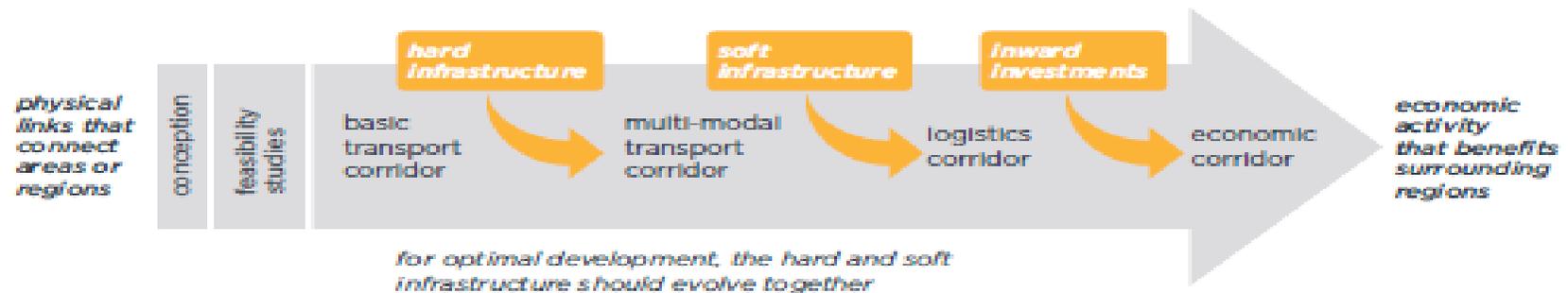
- Recovery from COVID-19
- Brexit and how to exploit the NI Protocol
- Climate emergency
- Accommodating a changing/growing population

## ... and the endemic

- Divergence in economic performance, structures and policies
- Mismatch of skills demands and the stock and supply
- Ensuring the future pipeline of competitive, exporting SMEs

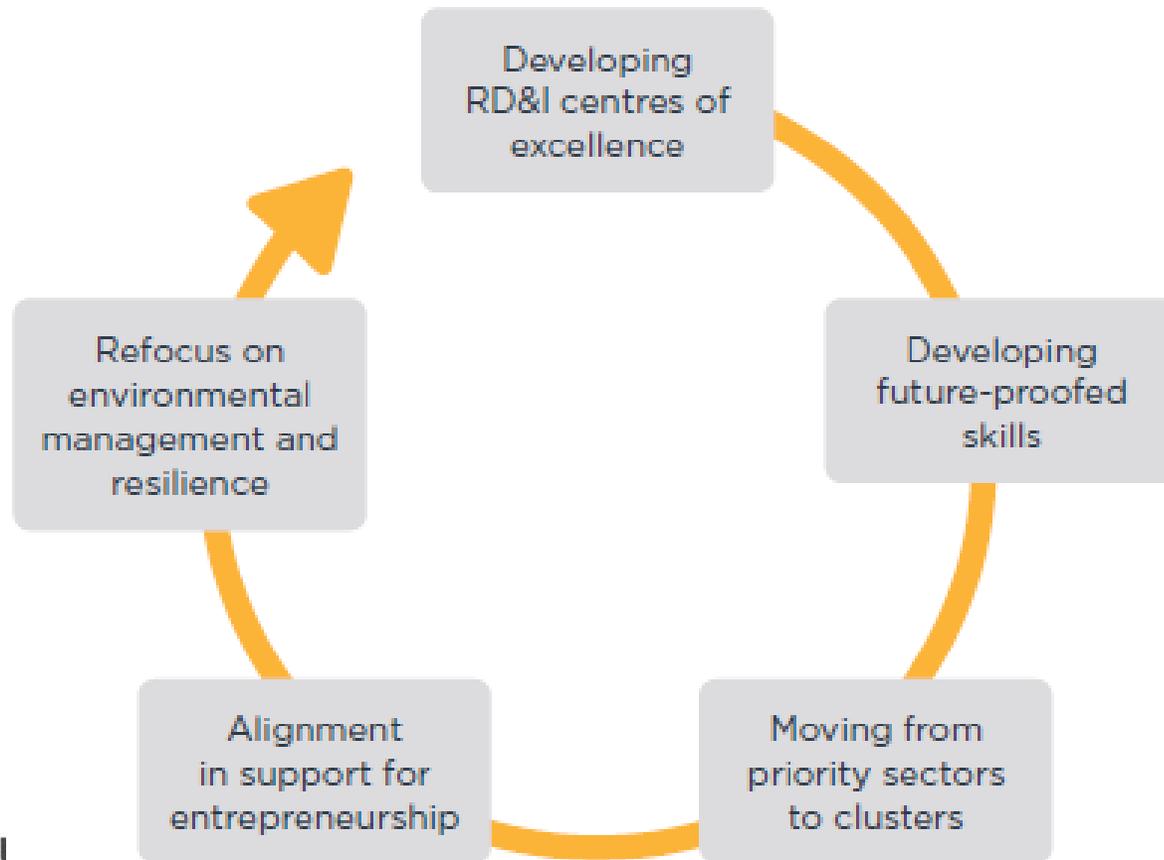
# Where are Economic Corridors in 2021 in terms of development & priorities?

- Examples from elsewhere suggest Corridors have evolved as regional development moves from upgrading 'end-to-end' transport connections to attracting place-based investment
- Being pursued in initiatives based on the following means:
  - **Promotion:** branding a growth region
  - **Capability development:** creating *additional* regional complementarities in research, innovation, skills development
- Other economic corridors now focused on cluster development, knowledge transfer and digitisation (smart cities)



# What next for a Dublin-Belfast Economic Corridor network or initiative?

## Opportunity areas for cooperation



- The new Corridor initiative is currently is at the *'Know the cross-border territory, know each other within the territory'* stage
- Councils have themselves identified some potential areas to develop cooperation in **but are now engaging widely on these** to see what could work
- Discussion needed around what the criteria (and priority for these) might look like to decide between potential cooperation areas/actions
- Adopting (or adapting) a framework for coordination

**What might Sir George  
make of it now?**

# Did ideas matter?

*“The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist.”*

*(JM Keynes, General Theory of Employment, Money and Interest*

- Belief that a dynamic private sector and ‘markets without borders’ would prove the key element for the Corridor
- Understanding of peripherality, tempered by optimism about convergence
- “...interdependence of both parts of the island is forcing itself on public attention” (2013)

# Are we stuck in the “Roaring 1990s”?

- Debate about the Corridor at the time was a heated one taking in politics, political economy and industrial policy
- Much of what is remembered is the Unionist criticisms, some of which were very personalised against Sir George back in the mid-1990s
- However, some other critiques made then are equally relevant today:
  1. Over-egging of positive results in terms of jobs and output if based entirely on cross-border trade gains
  2. Absence of any enterprise strategy or industrial policy within the proposals
  3. Corridors are about much more than transport infrastructure

# A Corridor to reimagine, reboot or rip up and start again?

## Do the ideas of the 1990s still hold?

- Era of 'bringing borders back in'
- Geography and place have come back into vogue
- Institutions and their role

## What might be the basis of new proposals?

- Grappling with proximity
- Experimenting with sectoral ecosystems and clusters – not the '5 simple steps'
- Ensuring a place for coordination

**Thanks for listening and  
any questions?**

# Online resources (where possible)

- John Bradley & Esmond Birnie, *Can the Celtic Tiger Cross the Irish Border?* (2001)
- Liam O'Dowd, 'From a "borderless world" to a "world of borders"', *Environment and Space: Society & Space*, vol. 28 (2010)
- Karl Lundquist & Michaela Trippel, 'Distance, proximity and types of cross-border innovation systems', *Regional Studies*, vol. 47 (2013) – **available online**
- 'Interview with Sir George Quigley by Andy Pollak', *Journal of Cross Border Studies in Ireland* (2013) – **available online**
- Sir George Quigley, *A Time to Speak* (2014)
- InterTradeIreland, *Sectoral Ecosystems on the island of Ireland* (2015) – **available online**
- Chris van Egeraat & Eleanor Doyle, 'Rethinking Irish cluster policy', *Administration* (2018) – **available online**
- Katy Hayward, 'The EU's accommodation of NI in the Withdrawal Agreement' *International Studies* (2021) – **available online**