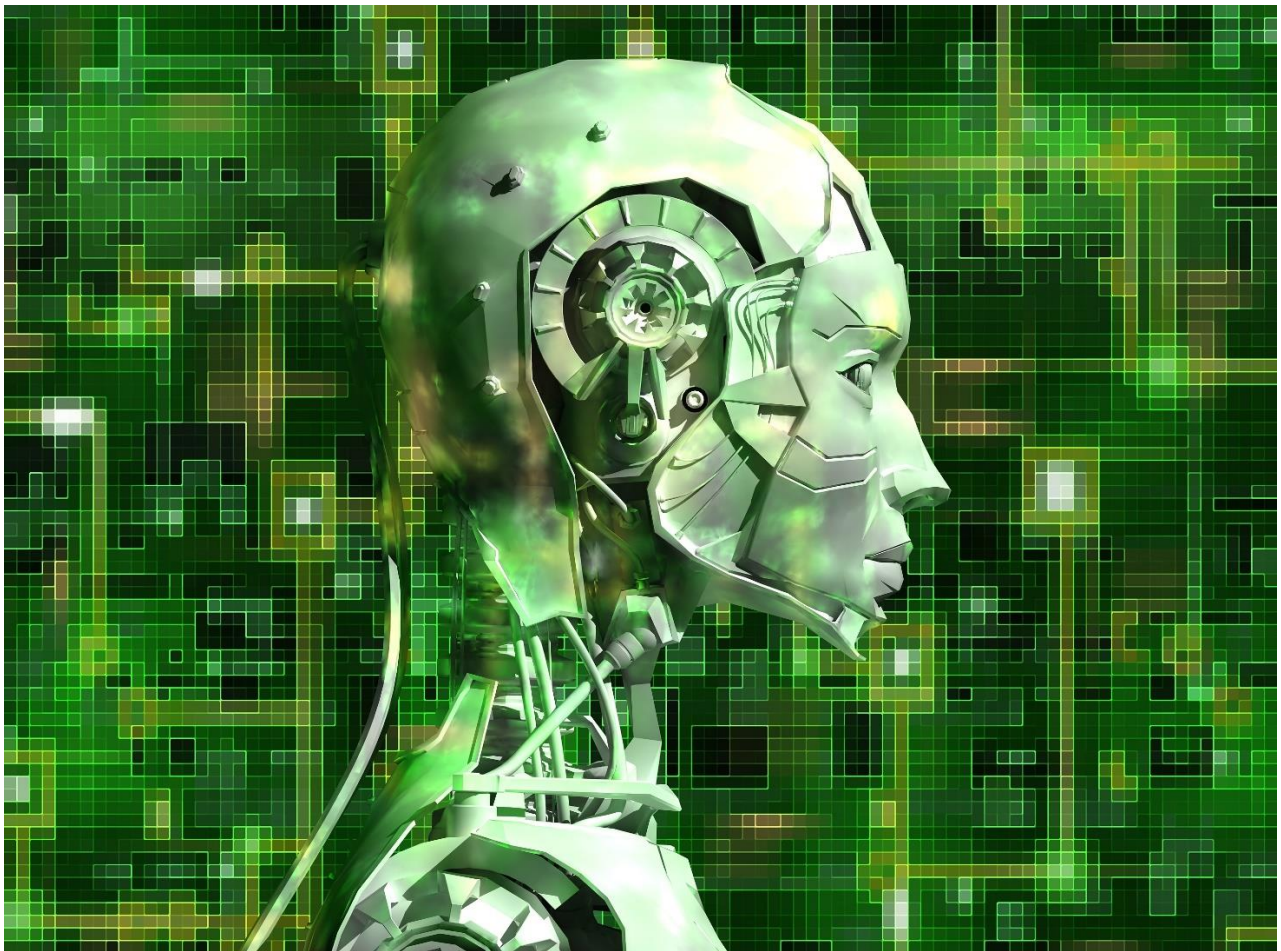

Intelligent Ireland

Is Ireland ready for an unknowable future?

2024

A report from the
Intelligent Leadership Hub

ILH



Ade McCormack, Founder, Intelligent Leadership Hub

Introduction

This brief report created by the Intelligent Leadership Hub explores how well positioned the Republic of Ireland is to thrive in an increasingly disrupted world. Our focus is on intelligence as this is a strong indicator of adaptiveness and thus survivability.

Methodology

Details of the method and data sources can be found [here](#).

Macroenvironmental backdrop

Ireland, like every other nation, is at the mercy of a variety of manmade and natural forces. These range from decisions made in Stormont, Westminster and Brussels, as well as those made in Kiev and Moscow. Precarious global supply chains, energy pricing volatility and a fluctuating demand for goods makes economic forecasting difficult.

Ireland thus exists within an increasingly complex system and is itself a complex system interacting with other complex systems. This leads to emergent and unpredictable behaviour and outcomes that cannot be planned for.

Thus Ireland needs to be ready for anything, and possibly everything. Governments are not built to handle this level of unknowability, neither are businesses, nor civil society. An intelligent approach is required.

Summary

Index	Score
<u>World Competitiveness Ranking</u>	A
<u>World Happiness Report</u>	B
<u>Global Innovation Index</u>	B
<u>Global Talent Competitiveness Index</u>	A
<u>Global AI Index</u>	C / E
<u>Fragile State Index</u>	A
<u>Social Progress</u>	A

[Click here](#) for details of the indices.

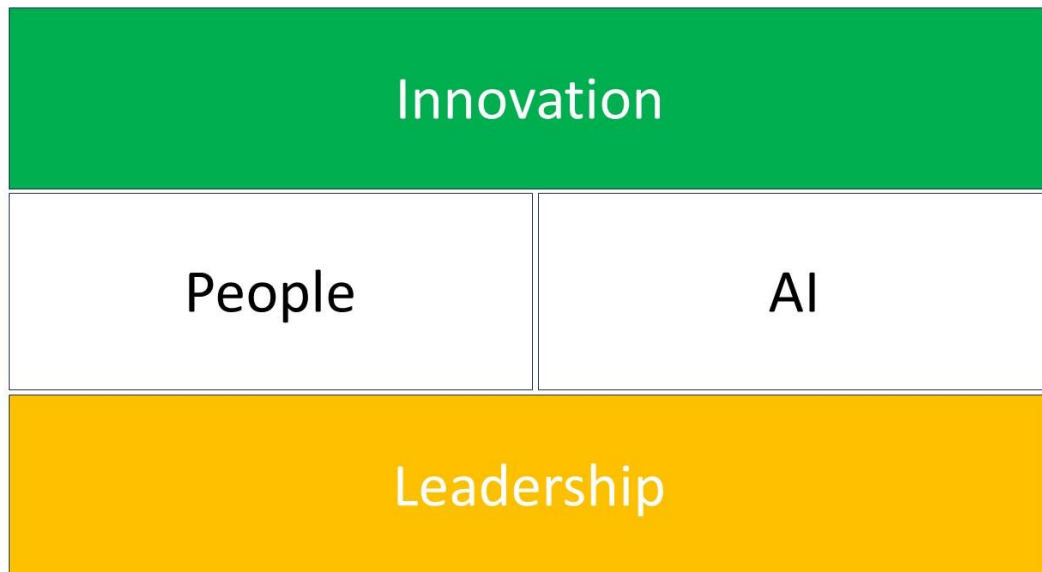
These figures would broadly suggest that Ireland is in better shape than most. Though it is worth keeping in mind that approximately two thirds of all nations are still developing.

Ireland appears to be very competitive and that is to some extent validated by its impressive GDP per capita (though limited stock should be placed in what that means in practice when used for comparison purposes). Though this competitiveness is in no small part due to the Irish government's corporate tax policy that enables multinational companies to book profits in Ireland that are not actually reflective of the real economic activity taking place throughout the nation.

The impressive GDP per capita is in part a result of multi-national tech firms having a presence in Ireland and so the wealth is very unevenly spread across Irish citizens. Should there be a change in corporate taxation, it is likely, based on historical precedent, that the tech firms will flee and most likely the non-indigenous expertise as well.

Let's look at the key elements of intelligence:

Details



Innovation

Beyond tech, Ireland also majors in life sciences, beverages, gambling and food products. These also require a high degree of innovation. The ability to innovate is critical to engaging with an increasingly disrupted world.

The Global Innovation Index suggests that Ireland is relatively weak in respect of innovation. This is a concern. In Ireland's favour, it has only relatively recently succumbed to the industrial Taylorism economic model. Thus there is likely a higher degree of free thinkers and thus potential innovators compared to nations where industrialism is more deeply ingrained.

Please note that innovation requires intelligence, which comes in the form of either natural (people) or artificial (technology).

People

Ireland scores well in respect of talent competitiveness and has an established track record of exporting well educated and capable people. Though increasing economic action at home has led to less economic migration. There is something positive at the heart of this given how well Ireland ranks in respect of happiness. It is hoped that Ireland's education system is embracing the need for developing innovators rather than 'compliant cogs for the factory'. A problem that all other developed countries have yet to address.

AI

Turning now to artificial intelligence. This of course is only one of several important and economically disrupting technologies. However its rate of growth and its implications for the labour force puts it squarely centre stage. Ireland is not a market leader in respect of the Global AI Index (C) and its performance in respect of AI research is mid-tier (E). That is a lead indicator of a future problem. However Ireland may be relying on its membership of the EU to ensure that eventually it is buoyed up by the research efforts of its fellow member states.

Leadership

Whilst performing well in socioeconomic beauty parades is important, it is more important that a nation's leadership has the capability to make decisions that foster innovation ranging from infrastructure through to higher education.

Ireland is unlikely to become a failed state anytime soon and functions well as a democratic society. Like many other developed nations there are signs of societal unrest. This is more a characteristic of a global change in economic cycle than an Irish problem. Trust in central government is above the OECD average, whereas it is below for local government.

Party politics naturally causes leaders to be preoccupied with staying in power. This leads to short term behaviours that are unlikely to prepare the nation for an increasingly disrupted world.

Challenges

Ireland has several challenges including:

- **Cohabitation**: Sharing the island with another nation that is wired differently. Stronger cooperation is needed for both nations to capitalise on the island's resources. Ireland's future is not completely in its own hands. The European Commission, Stormont and Westminster have significant influence over the Republic of Ireland's fortunes.
 - Whilst a united Ireland will not be to everybody's taste, a united island would likely benefit all stakeholders.
 - The 'Troubles' has inflicted both socioeconomic and diplomatic wounds.
- **Housing**: The tech explosion has put a strain on the housing stock along with years of poor social housing policy. This will increasingly fuel social unrest and extreme ideologies.
- **Environmental sustainability**, including air and water quality. Ireland's (current) climate lends itself to being an ideal location in which to locate datacentres. Reconciling the economic opportunity with the environmental threat will be key to Ireland playing its role in addressing the climate crisis.

These challenges are a drag on Ireland's ability to adapt. Please note that an Intelligent Ireland is not one that is issue free, but one that can sense, adapt and act as issues emerge in whatever form they take.



In summary

Ireland like many other nations appears to be focused on staying on an even keel post-Covid rather than preparing for an increasingly disrupted world. Despite what we might hear from the World Economic Forum, a focus on digital transformation will not cut it. Ireland's challenges, like those of every other nation, are much more profound.

Whilst any parent would be relatively proud of a report card with so many 'A's on display, we must keep in mind that the scoring is not based on a class of pupils of a relatively similar standard. Having a better social progress score than South Sudan or being more innovative than Togo is not that impressive. These scores must be considered in the context of doing well in a fun run as opposed to an Olympic final. They are thus not as impressive as they appear.

Aggressive policies are needed in respect of:

- Leadership development in civil society, business and government (central and local).
- An overhaul of the education system at every level.
 - Not least so that every citizen is aware of the global shift from security to precarity.
- Developing a culture of innovation across the nation.
 - Experimentation and resourcefulness over efficiency.
- Talent development - focusing on traits (eg. creativity) rather than skills (eg. auditing).
 - Ignore lists that refer to top skills needed by 2050 etc. Nobody, including the list makers have a clue as to what will be needed by their stated date.
- AI research.

It should be acknowledged that Ireland's rich humanities heritage along with its globally networked diaspora are two assets that will support Ireland in its transition to an increasingly intelligent model.

About the Intelligent Leadership Hub

The ILH is an embryonic think tank focused on creating a fairer and more sustainable world by empowering leaders to develop adaptive organisations optimised for disruption.

We provide education and advisory services, as well as products such as this report.

We would be grateful if you can help us in our mission by:

- Sharing our products with others.
- Engaging us in respect of your leadership development needs.
- Sponsoring our products.
- Connecting us to organisations that are on a similar mission.

[Learn more about the ILH.](#)

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About the author



Ade McCormack is the founder of the Intelligent Leadership Hub. His focus is on helping leaders navigate an increasingly disrupted world.

He is a former technologist and Financial Times columnist. He is primarily involved in professional speaking, advisory and executive education.

[Ade's LinkedIn profile.](#)