

Bad news brigade in media doing Ireland down

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OPINION: Memo to the media: stop spreading the misery – you are making the problem worse and, actually, things have begun to get better, writes **DAVID BLOCH**

LAST THURSDAY I did something I've never done before in my life – I sent out a mass e-mail.

I don't do chain mails, I don't think I've ever written a letter of complaint in my life. I concentrate on my company and family. But I'd had enough – enough of the negative media reporting everything that is wrong while ignoring the positives.

I received about 200 responses (more coming in daily) from chief executives, senior partners in companies ranging from multi-billion-euro plcs to smaller indigenous Irish firms. I even had responses from Irish people living in New York and Beijing, with 92 per cent of them agreeing that the Irish media was helping to destroy Ireland.

Some of the e-mails were extremely angry and from people you'd have never believed would get so worked up, but it seems people are screaming inside with frustration. They believe that sentiment and the economy are inexorably linked and the media is depressing the population and thereby destroying the country.

A few of the comments are worth repeating (some were quite personal) and I have selected two.

One wrote as follows: “. . . it's giving a desperate impression to investors, commentators, etc. Also, too much time spent pummelling those who are easy to blame – bankers, developers, etc. By all means accept there have been mistakes, learn the lessons, add regulations, etc, but now time to move on and have plan for the future.”

The other responded thus: “I know RTÉ would argue that in criticising them we are in danger of shooting the messenger but the medium IS the message . . . those in RTÉ are relatively bulletproof in their jobs. They are playing Russian roulette with private sector jobs as visiting business people and others latch on to our depressive outlook. Other development agencies will also use this to argue against Ireland as a location to invest in, in favour of their own place.”

What prompted me to send the e-mail was that for many months, it seems to me that the Irish media has done its best to highlight all the bad news while ignoring the good. Statistics are constantly used, then explained in a manner that highlights how bad things are and how it is only going to get worse for Ireland.

Firstly, this isn't true; secondly, it's not helpful; and thirdly, we need to move forward. And who gains from such miserable and negative coverage?

The world is in a dreadful state, no doubt. Ireland's pillars of prosperity have been eroded by many factors. The construction boom is over and will take two to five years to recover fully. The banking sector is in trouble globally, but there are certainly green shoots of recovery all around the world with Goldman Sachs, Barclays, Merrill Lynch and others announcing better than expected results, with most of them returning to profitability.

Our information technology and pharmaceutical industries, while not impervious to recession, have generally outperformed our main rivals.

Ireland was one of the first into recession but we seem to have hit the bottom and are now showing real signs of a return to growth.

Recently, the chief executive of the IDA, Barry O'Leary, explained: “In the early 1990s, Ireland's technology industries consisted of just 19,000 people. Today they employ 91,000.”

Peter Sutherland of Goldman Sachs International and BP chairman noted: “The economy has been a phenomenon since the 1980s. From a relatively poor country on Europe’s periphery, Ireland has risen to become one of the richest economies in the world in 20 years.”

Managing director of Microsoft Ireland Paul Rellis said: “Fear of the future can have a paralysing effect on an economy, and Ireland needs to remember that there are one million more people at work in the country than there were 10 years ago.”

Ireland’s GDP per capita (our economic output by population) is 135 against the European Union average of 100. Germany’s is 117, the UK’s 114, Japan’s 107.

Ireland’s exports are down 5.9 per cent this year – but Germany is down 16.5 per cent, Italy down 15.9 per cent, and the UK down 9.8 – worse, no?

The IDA brought 130 investments into Ireland in 2008 and that’s continuing in 2009 – they are able to do that because outside of the country people recognise Ireland is a great country in every way.

The economy is now improving. Look at these stats. Retail sales, other than those for the motor trade, appear to have stabilised. These are the volume indices for November 2008 to February 2009: November 2008: 106.5; December 2008: 107.6; January 2009: 106.5; February 2009: 107.9. Seasonally-adjusted manufacturing output volume in January and February 2009 was 4.9 per cent – higher than in the last quarter of 2008. Ireland was the only EU country to record an increase in this period.

Seasonally-adjusted average exports value in January and February 2009 was 6.8 per cent higher than in the same last quarter of 2008. Again, Ireland was the only EU country to record an increase in this period.

Manufacturing output and exports are holding up much better here than in any other EU country. In the first two months of 2009, output and exports were both down 1 per cent in Ireland compared with the first two months of 2008. In other EU countries, the falls were of the order of 15 per cent to 25 per cent – with the EU average fall being 18 per cent.

The Iseq rose by 18 per cent in April – as far as I can see (and I couldn’t check every country), this was the best-performing index in the OECD in April.

Ireland’s harmonised inflation rate in March was the lowest in the EU. Ireland’s merchandise trade surplus is soaring and is now running at an annualised rate of €44 billion (€3.7 billion in February), compared with the Central Bank forecast of €30 billion for 2009. Ireland is now heading for a balance of payments surplus in 2009, barring some unforeseen calamity.

The increase in unemployment appears to be slowing. These are the seasonally-adjusted increases since October 2008: October 2008: 15,900; November 2008: 16,400; December 2008: 16,400; January 2009: 33,000; February 2009: 26,700; March 2009: 20,000; April 2009: 15,800.

The media seems to have taken every statistic and turned it against the country. For example, it interpreted the unemployment figures which showed that the balance of unemployment had swung more towards females as meaning that unemployment was now spreading from the male-dominated construction sector to all parts of the economy.

Firstly, everyone knows that every area of the economy is in recession and, secondly, female unemployment has dropped from 10,100 new cases in January to 6,500 in April (males from 22,900 to 9,300). Isn’t this actually good news? Couldn’t it mean that we’ve bottomed out?

The media has a crucial role to play in returning confidence to Ireland. Its rhetoric is repeated around the world and taken as “the truth”. But statistics don’t lie and while there are certainly problems to be dealt with, I would ask the media to stop depressing us all. David Bloch is chief executive of Brightwater, a firm of recruitment specialists with offices in Dublin, Cork and Belfast.