Irish Political Studies

ISSN: 0790-7184 (Print) 1743-9078 (Online) Journal homepage: https://www.tandfonline.com/loi/fips20

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IRISH POLITICAL STUDIES
2019, VOL. 34, NO. 4, 471–489
https://doi.org/10.1080/07907184.2019.1687621

INTRODUCTION

Ireland and crisis governance: continuity and change in the shadow of the financial crisis and Brexit

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ABSTRACT
Ireland's relationship with the European Union (EU) has, since 2008, been tested by an enduring and complex series of economic and political crises. The contributions to this special issue examine these EU-linked crises through a variety of Irish perspectives, including the impact on public opinion, environmental policy, migration policy, foreign policy and the state's positioning on Brexit. In the introduction to this special issue, we review how the Irish-EU nexus was challenged by and responded to the financial crisis and Brexit. This sets the scene for a deep examination of how other crises have been experienced in Ireland; how collectively these developments have challenged Irish-EU relations; and what this means for patterns of Europeanisation and de-Europeanisation across different policy sectors and political settings. In this context, we highlight an evolving political and economic landscape of both continuity and change in Ireland where the relative influence of the EU, in the shadow of crisis, is determined by discrete political circumstances and policy specific dynamics.

KEYWORDS Ireland; European Union; Europeanisation; Brexit; financial crisis

Introduction

The Irish experience of European integration from 2008 to Brexit[1] has been characterised by extreme volatility. A series of complex and intersecting crises have challenged the nature, scope and intensity of Ireland's relationship with and commitment to the European Union (EU). The failure of the Lisbon Treaty referendum in June 2008 provoked dismay among Ireland's EU partners and threatened to derail the protracted Treaty revision process. This was followed by a much more serious crisis as the Irish banking system's near-implosion led to a sovereign debt crisis only 'relieved' by an EU 'bailout' and the subsequent close supervision (2010–2013) of the Irish economy by the so-called Troika, consisting of the European Commission, the European Central Bank (ECB) and the International Monetary Fund (IMF). The reputational damage wrought by both these episodes was

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considerable and presented an enormous challenge to Irish policy-makers in the years that followed (Rees and O'Brennan, 2019).

Then, just as the economy returned to a positive growth trajectory, the United Kingdom (UK) electorate voted on 23 June 2016 to leave the EU. The Brexit vote occasioned a new set of pronounced challenges for all strands of life across the Irish polity, economy and society.

These two crises, however, constitute but part of 'a prolonged period of distress for the EU' (Zeitlin et al., 2019, p. 963). Multiple (sometimes simultaneous) crises, including the sovereign debt crisis within the Eurozone, the migration crisis, democratic backsliding in Central and Eastern Europe, geopolitical challenges on Europe's borders, a tide of growing Euroscepticism and an increasingly antagonistic US-EU relationship since the 2016 election of Donald J. Trump as President of the United States, have formed part of what former European Commission President Jean Claude Juncker (2016) termed a 'polycrisis' for the EU.

We argue that Ireland should be viewed as one of the more compelling case studies during this period of protracted EU crises. As a traditionally pro-EU small-state and from a landscape where the EU was (for the most part) closely associated with positive developmental change in Ireland, the economic crisis placed Dublin at odds with Brussels almost for the first time in its four-decades-old membership. In contrast, Brexit revealed much greater levels of EU support and solidarity for Ireland as the state navigated a potentially existential political and economic domain.

But Ireland also confronts multiple challenges in dealing with other facets of the EU's polycrisis, including climate change, tax justice, and migration, and the domestic management of these crises holds implications for Ireland's international reputation, diplomatic relationships and positioning within the European Union. In confronting this complex set of challenges, Ireland has typically conformed to rather than confronted the prevailing EU position. The polycrisis, however, demonstrated that the Irish relationship with the EU *was indeed* changing: the crises both confirmed some long-established tendencies in Irish politics and public policy, but profoundly changed others. It is evaluating and mapping this landscape of both continuity and change in Ireland and the relative influence of the EU on different elements of politics and public policy in the shadow of the financial crisis and Brexit that this special issue focuses on.

This introductory article provides a detailed account of the backdrop against which this pattern of continuity and change in the EU-Ireland relationship has evolved since 2008. Specifically, we detail the EU's approach to crisis management (especially the financial crisis), and track how Ireland adjusted – economically, politically and institutionally – to new modes of EU crisis governance. The impact of the polycrisis on Ireland's wider policy landscape is interrogated and we discuss longer-term empirical and conceptual trends which will define Ireland's future relationship with the EU and impact on patterns of Europeanisation and de-Europeanisation.

Rationale for this special issue

Ireland constitutes an interesting 'small state' within the EU, and has oscillated between the status of 'model pupil' and 'errant member' over almost five decades of membership. For most of the early period after accession (the 1970s and the 1980s), there seemed precious little 'value added' accruing to Ireland from being part of the European Community. But this was largely because of the different ways in which Irish elites managed to throw away the advantages offered by membership through the pursuit of populist and unsustainable spending policies (Lee, 1989; O'Brennan, 2010, 2020). It was only around the 20-year mark that Ireland began to noticeably reap benefits from being part of the EU 'club'. The operationalisation and deepening of the EU single market contributed to a period of substantial net gain for the Irish economy, in terms of increased trade, investment and employment levels (see Laffan and O'Mahony, 2008, p. 232). In addition, historically significant subventions from the EU budget (especially in the 1990s) helped raise Irish productivity and also improve the physical infrastructure of the country (see Barry et al., 2001). By the early 2000s, Ireland seemed an exemplar for other small states (especially in Central and Eastern Europe) as its economy took off in spectacular style (O'Brennan, 2010). This positive trajectory, however, would be setback hugely by a sustained period of crisis after 2008.

The polycrisis was based on a series of intersecting and mutually reinforcing challenges which were (and are) testing the EU's resilience, its power base, its capacity for solidarity, its connection to its citizens and its future. It appeared to some commentators that a 'perfect storm' of crises was truly existential and that the EU might not even survive (see Krastev, 2017; Krastev and Holmes, 2019; Rosamond, 2019). However, the EU responded by changing 'the EU's governance mix' (see Börzel, 2016, p. 14) to a form of 'crisis governance' based on recurring European Council summit meetings and incremental adjustments to the supranational-intergovernmental balance, which mostly favoured the latter over the former.

Framing the Irish relationship with the EU: 'Europeanisation' and 'de-Europeanisation'

Studies of if and how, Ireland has experienced Europeanisation, have constituted an important part of the scholarly approach to understanding Ireland's relationship with the European Union. Europeanisation research explores the EU's impact on the domestic policies, institutions, and political processes of EU member states. Ladrech (1994, p. 69) was one of the first EU scholars to define Europeanisation as:

> an incremental process reorienting the direction and shape of politics to the degree that EC [European Community] political and economic dynamics become part of the organizational logic of national politics and policy-making.

Europeanisation provides a framework for mapping and tracking the extent to which the EU influences and (irreversibly) changes domestic member states' institutions, policies, political parties and polities. Featherstone (2003, p. 5) notes that Europeanisation is applied within four broad categories as: 'an historical process; as a matter of cultural diffusion; as a process of institutional adaptation; and as the adaptation of policy and policy processes'. Radaelli (2003) refers to Europeanisation as entailing EU influenced processes of construction, diffusion and institutionalisation which then become embedded in all facets of the domestic political, cultural, institutional and policy arena. The Europeanisation literature, however, is not without its critics. Bulmer and Burch (2005), for example, have questioned Europeanisation's top-down perspective and presumptive focus on the EU as the main source of domestic change in European political systems.

There has been growing critical engagement with the Europeanisation literature from an Irish perspective. Hayward and Murphy (2010) noted the limits to which political parties in Ireland, north and south, were Europeanised after 1973. O'Brennan's (2010, 2012a) evaluations of both the Oireachtas' and party political engagement with Europe suggest a much more slight engagement on the part of Irish actors and institutions. Adshead's (2005) study noted that both intra- and inter-state dimensions of Europeanisation were increasingly impacting on the traditional conservative and clerical character of the Irish state. Rees, Quinn and Connaughton (2009) find some evidence of the Europeanisation of Irish institutions and policies, based on a process whereby both domestic forces and global factors were also influential. O'Brennan and Murphy (2014) suggest Ireland's EU membership has produced 'patterns of differential Europeanisation of Irish public policy, leading to an at least partial socialisation of Irish actors into EU norms, a strengthening of executive power and a minimal role for the Oireachtas in EU affairs'.

The Europeanisation literature is challenged by the extended period of EU crisis after 2008 and this has occasioned deeper critical engagement with the concept. Indeed, such has been the severity of the polycrisis that scholars have been actively interrogating the notion of *de*-Europeanisation and querying its significance for theorising a process of EU *dis*-integration (see Rosamond 2019; Webber, 2018). The de-Europeanisation literature is not, as yet, extensive and there are disagreements among scholars as to how, precisely, the concept should be understood. Notwithstanding such definitional pluralism, scholars converge around viewing de-Europeanisation as 'a process of disengagement combined with the intentional decision to reverse the impact of Europeanization' (Copeland, 2016, p. 1126). Intuitively, a period of crisis presents an opportunity for (some) member states to arrest and (potentially) reverse features of the Europeanisation process. Collective decision-making stasis can also act as a catalyst of de-Europeanisation. However, during periods of crisis, it becomes particularly difficult to isolate the impact of the EU on domestic institutional arrangements and actors. As Saurugger (2014, p. 182) notes:

> … crises shorten the timeframe under which decision makers operate, they make problems more salient and lead to higher politicisation in which routine decisions in specific sectors, or standard operating procedures, are very difficult to implement.

The contributions to this special issue confront this challenge of understanding the intersections of EU and domestic politics and policies during a time of polycrisis and how these influence Irish understandings of and approaches to EU membership. This involves addressing the Europeanisation critique through a dual focus on European and domestic influences, and measuring the extent to which processes of de-Europeanisation formed part of the Irish response to the EU's period of crisis. This collection, therefore, is conceived as a state-of-the-art analysis of the Irish relationship with the EU during the polycrisis. It supplements and nuances some notable individual contributions on Ireland's response to the financial crisis and Brexit from economics, sociology and political science (examples include the work of Coulter (2015); Patrick Holden (2020, forthcoming); Peadar Kirby (2010, 2011); Laffan (2020, forthcoming); O' Riain (2014); Hardiman (2016); Murphy (2018); O'Brennan (2019, 2020, forthcoming); Regan and Brazys, 2018; O' Rourke (2019)). This text is distinctive in that it undertakes a detailed examination of a tumultuous period which threatened to, but ultimately did not, derail Ireland's relationship with the EU. In so doing, it identifies the fundamental issues which characterised Ireland's navigation of the polycrisis (in particular the financial crisis and Brexit) and its adaptation to changing EU governance rules and institutions.

Ireland, the financial crisis and EU 'Crisis Governance'

In confronting the deeply challenging environment it faced after 2008, the EU introduced a series of reforms and adapted its institutions. The Eurozone was of course the epicentre of the EU's financial and sovereign debt crisis and the EU's management of these crises has come in for withering criticism from economists (Mody, 2018; Stiglitz, 2017; Tooze, 2018). More recently the Eurozone has become a veritable institutional and legal construction site, as the EU moved from continual fire-fighting to 'repair the house' through multiple institutional reforms of Eurozone governance.

The most noteworthy reform came with the enactment of the Fiscal Treaty in 2012. In institutional terms, this Treaty represented a dramatically significant break with the existing EU governance architecture. German Chancellor Angela Merkel, in particular, favoured moving from the traditional 'community method' to what she termed the 'union method'. The Chancellor's important speech at the College of Europe on 2 November 2010 set out her thinking (Merkel, 2010). The 'community method' ('Gemeinschaftsmethode') is the EU sphere where laws are enacted by the Council of Ministers (representing member state governments) in conjunction with the European Parliament (representing EU citizens). These laws are enacted on the basis of proposals generated by the European Commission which is enjoined by the treaties to act in the European interest. Implementation and compliance is in the remit of both the European Commission and the European Court of Justice; national public administrations also play an important role in a system which revolves around a search for consensus.

But this 'community method' (which is perceived to have served Irish interests well for almost fifty years of EU membership) gave way somewhat during the successive crises within the Eurozone to the 'union method' of decision-making where most important decisions are taken by the Council of Ministers and European Council. France and Germany effectively re-configured their approach to EU governance during the Eurozone crisis as both Chancellor Merkel and former French President Nicolas Sarkozy wanted 'more De Gaulle and less Monnet', more intergovernmental decision-making (where they could potentially dominate) and less of the supranational collectivism which distinguished the community method (O'Brennan, 2012b). Remarking on the newly technocratised and executive-led model of EU crisis governance, Ivan Krastev (2017) argued that, at the height of the crisis, the EU arrived at a point where national governments had politics, but were no longer in control of policy, including budgetary policy, which moved via the Fiscal Treaty and other measures, to the EU level. On the other side of this divide, the EU, he claimed, had policies *but no politics*, since decisions were increasingly being made by technocratic managers rather than directly elected representatives of the European public. The Eurozone crisis thus amplified an existing problem – the absence of both a European *demos* and a transparent European level political process. In electing a new government in 2011 at the height of the financial crisis, Irish voters changed the coalition government that ruled them, but that government proved powerless to change the underlying fiscal approach which had been decided in Berlin, Brussels and Frankfurt. Where former Labour Party leader Eamon Gilmore – in electioneering mode – proclaimed that it would be 'Labour's way, not Frankfurt's way', the opposite in fact proved to be the case (O'Brennan, 2012b, see also O' Toole, 2012, p. 44).

The Irish response to the Eurozone crisis

Prior to the financial crisis, European integration was widely perceived to have benefited the Irish economy in three important ways. First, by providing market access and opportunities for Irish firms which the home market could not provide. Second, by anchoring Ireland in the single market after 1987, European integration helped turn Ireland into a mecca for foreign direct investment (FDI) which increased exponentially in the 1990s and 2000s (Laffan and O' Mahony, 2008). Third, the vast increase in EU subvention to Ireland after the introduction of the 1988 'Delors Plan' helped build vital physical infrastructure and kick-start Ireland's economic boom, the 'Celtic Tiger'. For many Irish people, EU membership constituted an unvarnished economic good, although there was always some opposition from various groups on the left and right of the political spectrum (see Simpson, 2019). The financial crisis upended that positive perspective and severely challenged Ireland's confidence and standing in Europe. The near-collapse of the Irish banking system in 2008, the Government decision to guarantee all bank deposits and then the EU/ECB/IMF financial bailout in November 2010 was deeply humiliating and financially costly (and, in the case of the bank guarantee, vexed many of Ireland's EU partners).

From being the poster child of success in the era of globalisation, Ireland became a warning signal about the dangers of 'irrational exuberance' (Kirby, 2010, 2011). When the IMF issued its first annual report on Ireland subsequent to September 2008, it wrote, in its measured way, that the Irish crisis 'matches episodes of the most severe economic distress in post-World War II history' (quoted in Kirby, 2015, p. 281). After all, the then Minister for Finance, Brian Lenihan of Fianna Fáil, in announcing a state guarantee covering customer deposits and the banks' own borrowings to a total of €440 billion early on the morning of 30 September 2008, to avert what was feared would be the imminent collapse of at least one bank, had described his government's approach as providing the 'cheapest bailout in history' (Lenihan, quoted in *The Irish Times*, 10 June 2011.) Yet, as became ever clearer over the subsequent thirty months, what the government had done was to hand Irish taxpayers the bill for the reckless practices of the Irish banking sector during the economic boom, a bill that grew exponentially over that period resulting in a budget deficit in 2010 of 32 per cent of GDP: the worst contraction of the Irish economy in the state's history, accompanied by an unemployment rate of 14.7 per cent by early 2011 (see Mody, 2018, pp. 267–273 for data and sequencing). It was the loss of credibility and the steady downgrading by rating agencies of both the state's and the banks' credit ratings, that made the Irish banking system increasingly dependent on day-to-day support from the ECB. In September 2008, Irish banks owed the ECB €19 billion; by November this figure had reached €40 billion (Mody, 2018, p. 267) The extent of this support set alarm bells ringing in Frankfurt and Brussels, forcing the Irish government to accept a rescue package from the EU, the ECB and the IMF at the end of November 2010 totalling €85 billion. This was made up of €10 billion for re-capitalisation of Irish banks; a €25 billion bank contingency fund; and a €50 billion sum to support the state's borrowing requirements for the next three years.[2]

Such was the unprecedented extent and scale of the crisis, the Irish state was forced to adopt a series of swingeing austerity packages to try to calm financial markets and reassure the European Commission. This culminated in a four-year austerity plan, entitled *The National Recovery Plan 2011–2014*, setting out in detail how Ireland planned to return the budget deficit to 3 per cent of GDP by 2014 as demanded by the European Commission. Cuts in public spending totalled €10 billion and tax rises of €5 billion were rolled out over four years. Cuts were spread widely and included reducing the number of public servants by 25,000 from 307,000; cutting the pay of new entrants to the public service by 10 per cent; reducing public service pensions by up to 12 per cent; and cutting spending on health, education and social welfare (see Coulter, 2015, p. 9; Kirby, 2015; and O' Toole, 2012, pp. 8–11 on the scale of the cuts). Controversially, the Irish state contributed a further €17.5 billion to the bailout, €12.5 billion of it from the National Pension Reserve Fund, effectively depleting this last financial reserve at the government's disposal. The average interest rate on loans was 5.85 per cent. The terms of the bailout agreement endorsed many of the measures contained in the Irish government's four-year austerity plan and involved deeply intrusive oversight by officials of the EU, ECB and IMF of Irish budgetary and expenditure decisions. The state was subject to six monthly monitoring visits by the Troika. In effect, Ireland became a 'rule-taker' rather than a 'rule-maker'; economic sovereignty may not have been entirely lost but Irish agency was severely eroded by the demands of the 'Troika' and the implementation of the associated austerity regime.

The package was extensively criticised in Ireland for the high-interest rate (see Coulter, 2015, p. 9, for example) but also for the failure of the European institutions to share any of the burden of adjustment. The influential *Irish Times* columnist Fintan O'Toole (*The Irish Times*, 2010, p. 11), for example, wrote that the package:

> is much more [Treaty of] Versailles than Marshall [Plan]. There is no sharing of the burden. There is no evidence of a single thought for the consequences of mass unemployment, mass emigration and war on the most vulnerable. There is no European solidarity … The sadistic pleasures of punishment have trumped the sensible calculation that an Ireland enslaved by debt is not much use to anyone.

In an April 2011 interview, Lenihan stated that the government sought to impose losses on the (Irish) banks' senior bondholders, but that the option was ruled out by the troika: 'I discussed the matter with Dominique Strauss-Kahn [IMF managing director] himself and Monsieur Trichet [ECB president], but it was clear to me there was no budge on this whatsoever in the discussions' (Mody, 2018, p. 272). The EU insistence on austerity, as the only viable path to recovery. undoubtedly made the task of Irish recovery much more difficult. As Peadar Kirby (2015) argued:

> it can be concluded, therefore, that if Europe is widely seen to have contributed to Ireland's economic development over the decades since joining the then European Community in 1973, then its role in the banking crisis is now seen as protecting the interests of Europe's banks at the cost of placing a huge burden on Irish taxpayers and making the prospects of economic recovery more difficult.

The Irish reaction to EU-linked austerity measures however, was relatively muted, considering the scale of the fiscal adjustments implemented after 2008. Opposition was channelled through the party system, and by 2011, a change of government was inevitable. The Irish electorate duly punished the ruling Fianna Fáil party for its part in the financial crisis. In the general election of that year, Fianna Fáil won just 20 of 166 seats, while Fine Gael secured 76. This was short of a majority, leaving the party dependent on the Labour Party to form the new coalition government. Enda Kenny, the then Fine Gael leader, became Taoiseach, with Eamon Gilmore, the then Labour Party leader, becoming Minister for Foreign Affairs and Trade (Mulqueen, 2012, p. 212). Whilst there is some evidence of a fragmenting and potentially historic re-calibration of the Irish party system, it has not – to this point – produced decisive systemic change. For sure, Ireland witnessed a surge in support for Sinn Féin and some Eurosceptic independent TDs, but the party system nevertheless demonstrated as much continuity as change, in marked contrast to other EU jurisdictions.

Despite the severity of the financial crisis and what was termed 'an earthquake election' in 2011 (see Gallagher and March, 2011), the impact on public sentiment towards the EU was similarly minimal (see Simpson, 2019). In contrast to the two previous EU referendums (2001 and 2008), and fearful of the consequences of rejecting another EU treaty, the Irish electorate supported the Fiscal Treaty in a 2012 referendum. Public protest against austerity (and/or the EU) was limited and largely centred around proposals to introduce water charges. In effect, the Irish political system has accommodated public displeasure with the EU and there remains a strong pro-EU consensus within the Irish political system and across society more broadly, a sentiment undoubtedly bolstered by the protracted Brexit drama. As Rees and O'Brennan (2019) put it:

> the Irish commitment to 'Europe' deepened significantly after the UK decision to leave the EU was made in 2016: with every unanticipated crisis experienced by the UK, the Irish choice to commit to European integration became more sharply defined, despite the evident threat to Irish interests.

Interestingly too, the economic crisis did not change the preference of Irish elites for the liberal market economy model. In fact, in many ways, the crisis redoubled the commitment to neoliberalism. Ireland remains a highly globalised liberal market economy, distinguished primarily by the extent of multinational control of the leading sectors of its economy (Coulter, 2015, p. 17). The export sector, primarily US multinational companies (MNCs), continued to expand during the crisis years and Ireland's dependence on such MNCs was greater in 2019 than in 2009.

After the financial crisis: a subtly different Ireland-EU relationship

The EU's polycrisis has given way to what might be the beginnings of a new phase in Ireland-EU relations. By 2014, Ireland had become a net contributor to the EU budget for the first time, and this happened just as the financial crisis peaked. John Fitzgerald, however, (*The Irish Times*, 31 May 2019) demonstrates what a good deal EU membership has been for Ireland since 1973. While Irish receipts from the structural and cohesion funds peaked in the 1990s at about 3 per cent per year, averaged over the entire 45 years of membership, the payments averaged about 1 per cent a year of Gross National Income (GNI). In addition:

> Our cumulated payments to the EU since membership have amounted to around 45 per cent of average annual income, compared with corresponding receipts of 160 per cent. So the Republic has been a net beneficiary until the current decade, and today makes only a small net contribution.

Fitzgerald also points out that in 2017 the Netherlands was the largest net contributor to the EU at about €200 per person, followed by Sweden, Germany, Denmark, the United Kingdom and Austria. Ireland's contribution amounted to only €50 per person, about one quarter the per capita contribution of Dutch people and 'a very small price to pay for all the benefits of membership'. A study by Statistics Netherlands (2016) demonstrates that between 2000 and 2015, in fact, the Netherlands was the highest per capita contributor to the EU budget. The impact of recent enlargements of the Union is important here. Where Ireland was a big beneficiary in net terms until 2008, its position has been taken by small states from Central and Eastern Europe: Lithuania, Hungary and Estonia received between €300 and €450 per head in 2017.

Fitzgerald also examines the potential impact of losing the UK's budgetary contribution. This amounts to a minimum net amount of €7.5 billion per year

(€110 per person). A proportionate increase across the EU27 would see the Irish contribution rising by about €140 million per year, or €30 per head. Germany's contribution could more than double, from under €15 billion to €33 billion by the end of the next budgetary period in 2027. Similarly, the net contribution by the Netherlands could rise by about 50 per cent to almost €15 billion (*The Irish Times*, 27 October 2019).

Ireland's journey from being part of the poor, peripheral band of EU member states in the 1980s and 1990s, to part of the new northern European, wealthy 'Hansa' grouping is noteworthy. During the negotiations on the Single European Act (SEA) in the mid-1980s, Ireland aligned itself with the poorer Mediterranean states to argue that a deepening of market-based integration should be accompanied by redistributive measures which would help them better compete with the wealthier member states of the EU. Despite temporary 'relegation' as a result of the financial crisis to the group of so-called PIIGS (Portugal, Ireland, Italy, Greece and Spain), Ireland's re-emergence as a 'Premier League' member state after the 'troika era' saw it embrace membership of the liberal, globalising, prosperous Hansa group as part of a broader pivot in Irish foreign policy (see Rees and O'Brennan, 2019).

Ireland and the Brexit crisis

The re-positioning of Ireland within the European Union was influenced decisively by the unfolding Brexit crisis after 2016. The UK vote to leave the EU on 23 June 2016 delivered a fundamental shock to the Irish body politic. The UK was not just Ireland's nearest neighbour, it was also one of its largest trading partners (although declining in importance) especially for Irish agri-food produce.[3] The UK also provided a crucial physical link to EU markets (Ireland's 'land bridge') and London was a key ally of Dublin within the European Council and Council of Ministers in Brussels, specifically on issues that really mattered to Ireland, including taxation and competition policy (O'Brennan, 2020). Brexit also posed substantial political and diplomatic challenges for the British–Irish relationship which had only recently normalised and stabilised in the context of the evolving Northern Ireland peace process. The UK vote to Leave brought the Irish border back on the agenda in unsettling and unpredictable ways and threatened to permanently alter the historic 1998 settlement (Laffan, 2020). Joint membership of the EU since 1973 had provided a neutral landscape of more or less permanent negotiations, economic interdependence and legal interdiction; all of which helped significantly improve UK-Irish relations. This positive trajectory was seriously disturbed by the Brexit vote, which carried quite profound implications for constitutional arrangements and inter-communal relations on the island of Ireland, as well as relations between London and Dublin (Laffan, 2020; Murphy, 2018; O'Brennan, 2019).

Prior to the UK's EU referendum in 2016, all of the mainstream political parties in Ireland supported the UK remaining in the EU, including Sinn Féin, believing this to be in Ireland's interest (Holmes, 2016, p. 14; O'Brennan, 2020). Ireland's initial position on the Brexit withdrawal was outlined by the Taoiseach in a key speech delivered at the Institute of International and European Affairs (IIEA) in February 2017, entitled 'Ireland at the heart of a changing European Union', and this was followed by the publication of key policy positions which reiterated Irish priorities in relation to protecting the Northern Ireland peace process; trade and the economy; the Common Travel Area; and the EU-Ireland relationship (see Murphy, 2019). The Irish government's position remained clear and resolute throughout the negotiation period, sporadically occasioning some opposition from elements within the UK political establishment, but largely aligning with the EU's approach. The extent to which the EU has supported Ireland and demonstrated solidarity with the Irish position on Brexit has been quite remarkable.

Content of this volume

Ireland's 'dual crisis' after 2008 (the financial crisis and Brexit) can be considered a subset of the overall EU polycrisis, if indeed the Irish case demonstrates specificities that are unique to Ireland. This 'dual crisis' provides the context for the interrogation in this special issue of how Ireland's relationship with the EU has evolved over the past decade. Having provided an overview of the financial crisis and its impact on Ireland and Irish-EU relations, individual contributions evaluate how the financial crisis and Brexit have shaped the trajectory of other EU policy areas.

Desmond Dinan (2019) provides an important contextual basis for understanding the range of challenges facing the EU as it navigated the polycrisis, and critically examines the current 'Future of Europe' debate. This contextual overview is instructive in honing our understanding of how the EU itself will evolve in the future, its potential forms and functions, what the implications are for specific policy areas, and what challenges these will pose for Ireland and the pursuit of Irish interests in the EU.

Kathryn Simpson (2019) provides a comprehensive evaluation of Irish public opinion on European integration. Her research demonstrates that the 'dual crisis' in Ireland's EU membership did not fundamentally alter well-established patterns of significant popular support for EU membership in Ireland. Far from encouraging impulses towards so-called Ir-exit, the UK decision to leave the EU encouraged a deep re-engagement with 'Europe' by Irish citizens and this is reflected in the remarkable data produced in the annual Red C poll conducted for European Movement Ireland in Spring 2019 which showed 93 per cent popular support for Irish membership of the European Union. Nevertheless, as Simpson demonstrates, Irish citizens' support for European integration is highly contingent and cannot be taken for granted: the failed referendums on Nice in 2001 and Lisbon in 2008 tell us that.

Aideen Elliott (2019) examines Ireland's approach to migration and the handling of the 2015 EU crisis around migration. She argues that Ireland's migration policy has incrementally converged toward EU norms. By virtue of geography, Ireland was not directly impacted by the 2015 migration emergency and so found it relatively easy to offer positive ('soft') support for the EU's attempt to collectivise the approach to migration. The Irish defence forces actively participated in rescue efforts in the Mediterranean and Ireland opted into the European Commission's 'burden-sharing plan' to re-distribute refugees across the member states and to ease the burden on receiving states in southern Europe.

Diarmuid Torney and Roderic O' Gorman (2019) provide compelling evidence that Ireland has remained immune from Europeanisation pressures in the climate change and broader environmental sphere. The escalating ecological crisis, in fact, has done little to change Ireland's long-term status as a 'laggard' in the EU environmental arena: the implementation of EU measures in the field of climate and the environment remains partial, slow and unsatisfactory. Ireland is a long way behind both its domestic commitments and EU obligations and the Fine Gael led governments since 2011 have done little to change this structural feature of Ireland's relationship with the EU. Ireland's gravitation toward the Northern EU bloc of countries is challenged by its position as an environmental outlier.

Mary C. Murphy (2019) examines the impact of Brexit on the island of Ireland and the protracted Brexit crisis on British–Irish relations. She focuses in some detail on the various political, economic and constitutional crises generated for Ireland by the Brexit vote and assesses how Brexit impacts on the Europeanisation and/or de-Europeanisation of the Irish political system and British–Irish relations. She alludes to the challenges which Brexit poses for the traditional Europeanised characteristics of the Ireland-EU relationship and the British–Irish relationship and determines that these will be challenged within the confines of a post-Brexit EU.

Irish foreign policy was particularly challenged by the 'dual crisis' after 2008. Rees and O'Brennan (2019) explore how Irish institutions and diplomats responded both to the financial crisis and Brexit. They argue that though Ireland's foreign policy has remained remarkably consistent over time, the 'dual crisis' placed considerable pressure on Irish state capacity and institutional resources. Ireland's financial implosion carried with it potentially catastrophic consequences for the Eurozone and thus successive governments placed a particular priority on restoring Ireland's tarnished reputation within the European Union (O'Brennan, 2012a). At the same time, Irish foreign policy was 'rebooted' to take on a more muscular promotion of Irish economic interests across the globe. The Brexit crisis set in train a determined effort by Irish policy-makers to both confirm the EU as Ireland's 'geopolitical centre of gravity' and to re-position the country within the Union, as the need for new allies and coalition partners became evident following the United Kingdom's planned departure. This commitment was reciprocated by the member states and EU institutions with an unprecedented level of solidarity shown to Ireland on Brexit.

Conclusion

The EU has weathered a series of profound challenges and crises since 2008, and Ireland, more than other member states, was often at the centre of these storms. The financial crisis in 2008 hit Ireland particularly hard and, simultaneously, threatened to collapse the entire Eurozone. The imposition of a harsh regime of austerity via the 'troika' (2010–2013) undoubtedly damaged the European Union's image in Ireland, as the burden of 'adjustment' fell almost entirely on the Irish people and rendered recovery much more difficult and protracted. The crisis also demonstrated the extent to which economic and market interdependence had advanced in the EU and the Eurozone after decades of closer cooperation among the member states and deepening legal reciprocity between the constituent elements of the supranational system of governance. The financial crisis, however, also revealed the potential limits to the pooling of sovereignty by member states. The re-assertion of intergovernmental impulses within the Eurozone was just one manifestation of this phenomenon. Arguably, the lack of solidarity shown to Ireland (and even more cogently, Greece) also demonstrates the continuing importance of 'preferences and power' (Moravscik, 1993) within the EU institutional architecture.

As Ireland was beginning to emerge from the worst effects of the financial crisis, a second – potentially existential – blow was dealt. The UK decision to leave the EU in June 2016 precipitated a political, economic and constitutional crisis for the Irish state and consumed extraordinary amounts of Irish negotiating energy and political capital over an extended period of time. The EU's solidarity with Ireland throughout the Brexit negotiations produced an entirely different political dynamic than that which prevailed during the financial crisis. To some extent, this was a response to the firm message coming from Ireland after the Brexit vote which emphatically resolved that Ireland would not follow the UK out of the EU and exchange the EU anchor for a return to the historically asymmetrical relationship with the UK (Laffan, 2020). Arguably, Ireland would not have benefitted from EU solidarity to the remarkable degree that it did after 2016 if it had not dealt effectively with the post-2008 financial crisis. The goodwill engendered in Brussels and EU capitals made it easier for Irish officials to ask for – and receive – EU support when it was needed on Brexit. Similarly, the Irish commitment to

'Europe' deepened significantly after the UK's EU referendum result. Indeed, with every unanticipated crisis experienced by the UK, the Irish choice to commit to European integration became clearer, despite the potentially significant collateral damage wrought on the island of Ireland by Brexit (Laffan, 2020; O'Brennan, 2019).

Although the financial crisis and Brexit represented the most significant challenges for the Irish state in terms of its relationship with the EU, there are other aspects of the Ireland-EU nexus which may test the dynamics and depth of the future relationship. The outplaying of the EU's polycrisis has impacted on Ireland's relationship with the EU in ways which are subtle, but potentially substantial. Political parties critical of the EU have fuelled a degree of 'soft' Euroscepticism and the uncertainty about the UK's long-term relationship with the EU poses questions and problems for Ireland, and more especially for Northern Ireland and British–Irish relations. Ireland has also begun to reposition itself vis-à-vis other EU member states and has demonstrated a willingness to countenance the deepening of EU integration in some areas of activity and to pay more into the EU budget in the future. Overall, however, evidence of both Europeanisation and de-Europeanisation in the Irish context is limited, insofar as it applies to both domestic institutions and the embedding of key EU policies in Irish legislation. Indeed,domestic factors are effective and often decisive in mediating and nuancing the impact of EU crises on Ireland's polity, policies and politics. In that context, Ireland provides evidence of an evolving political and economic landscape demonstrating both continuity and change, where the relative influence of the EU, in the shadow of crisis, is determined by discrete political circumstances and policy specific dynamics. However, navigating the continuing economic and political demands of the EU membership landscape – for example, tighter fiscal rules, future treaty revisions, moves towards tax harmonisation, demanding environmental regulations, increased sharing of the migration burden, and a developing EU foreign and defence capacity – as the polycrisis subsides, points to continuing challenges for this small EU state and its political representatives.

Notes

1. The period covered by this special issue is 2008–2019. This includes the Lisbon Treaty referendums in 2008 and 2009; the Fiscal Treaty referendum in 2012; the 'Troika regime' from 2010 to 2013, and the Brexit referendum and subsequent negotiations between the EU and UK. Within the Brexit talks we highlight the importance of the EU-UK 'Joint Agreement' of December 2017, the Withdrawal Agreement between the EU and Theresa May's government (25 November 2018) and the revision of that agreement, and the conclusion of a new agreement with the Boris Johnson government (27 October 2019).

2. Of this, €22.5 billion came from the IMF; €22.5 billion from the EU Commission; €17.5 billion from the European Financial Stability Fund; and a total of €5 billion in bilateral loans from the UK, Sweden and Denmark.
3. In 2018, Ireland sent 50 per cent of its agri-food exports to the UK. In terms of overall exports, however, the UK proportion had declined by 2018 to just over 10 percent. This represented a massive reduction from 1973 when Ireland entered the EEC with the UK and sent fully 55 per cent of total exports to the UK (reference).

Disclosure statement

No potential conflict of interest was reported by the authors.

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