The use of neo-liberal discourse in communicating Ireland's economic crisis

Dr. Brendan K O’ROURKE, Director,
Business, Society and Sustainability Research Centre,
College of Business, Dublin Institute of Technology,
Aungier St., Dublin 2, IRELAND
Tel. +353-1-4027097
Email Brendan.ORourke@DiT.ie

Brendan K. O’Rourke, Ph.D. works at the Dublin Institute of Technology (DIT), where he focuses on learning in the area of discourses of the economy. His academic publications include articles on interview methodology, owner-managed firms and on the nature of economics expertise. Brendan has supervised work across a range of research in issues such as volunteering organisations, interdisciplinary creativity and the circulation of business discourses. He is currently a director of the Business, Society and Sustainability DIT research centre and is also the co-founder of the Discourse Analysis Group (DAG) within DIT.

Dr. John HOGAN
Lecturer in Irish Politics and International Political Economy,
College of Business,
Dublin Institute of Technology,
Aungier St., Dublin 2, IRELAND
Email: john.hogan@dit.ie
Website: www.johnhogan.net

John Hogan, Ph.D., is a lecturer in Irish politics and international political economy in the DIT. He has written extensively on policy change at times of economic crisis and global lobbying regulations. He is a director of the DIT Business, Society and Sustainability research centre.

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Abstract
We examine how the discourse in three radio interviews with the Irish Minister for Finance constructed Irish state support, including a banking guarantee, to private sector banks in Ireland between 2008 and 2010. These interviews provide insights into the kind of enterprise discourse that was then prevalent in Ireland. Enterprise discourse is built upon the belief in market outcomes, yet it is precisely the workings of the market mechanism that the state prevented from happening in this incidence. The interviews thus provide a stark example of the enterprise discourse under strain within the context of a financial crisis that threatened the Irish economy. The analysis focuses on two features in the Minister’s use of enterprise discourse: His challenge to the legitimacy of interviewers’ questions and the work done by the Minister in maintaining a separation between the concerns of market and state. The analysis shows the enterprise discourse under strain but persistent.
Guaranteeing Failure: Enterprise Discourse in the Irish Economic Crisis

Introduction

Using a discourse analysis approach we examine how the granting of a state guarantee and other subsidies to private banking institutions was constructed – using enterprise discourse - in three interviews with the Irish Minister for Finance, Brian Lenihan, Jnr. The three interviews were with the state broadcaster, Raidió Teilifís Éireann (RTÉ), in 2008, 2009 and 2010. The granting of this state guarantee was a singular event in the history of Irish political economy, the full consequences of which Irish and Europe governments are still struggling to come to terms with. The guarantee has meant that what were the private debts of commercial banking institutions have become Irish sovereign debts. The result has been that the Irish national debt, previously one of the smallest in the EU, suddenly became one of the largest. This will have serious consequences for Irish society, as the burden of repaying these previously private debts now rests on the shoulders of every Irish resident. As such, the ramification of this guarantee will be felt in the form of increasing taxes and diminishing public services, as most of these tax increases will be required to manage the interest and principle on this massive new debt burden.

We begin with a brief overview of enterprise discourse and its analysis. We argue that the use of enterprise discourse has been prevalent in Irish political economy since the mid-1980s, and as such, an understanding of this discourse provides an insight into what came to be referred to as the Celtic Tiger. In the next section we provide a broader context for the interviews with the Minister for Finance by reviewing some of the most pertinent developments in the Irish political economy over the past two decades. Thereafter, we proceed to the detailed analysis of the three interviews with the Minister for Finance on the influential Irish radio show Morning Ireland. In that analysis we focus upon what we call the “challenging questions” of the interview and on the work done by the Minister in arguing that market issues are separate from political issues. By “challenging questions” we mean not only the hard questions raised by the interviewers, but also the manner in which the Minister challenges the legitimacy of those questions. The construction, or reconstruction, by the Minister of a separation of politics from the market, while a common feature of enterprise discourse, required much work in the context of these particular interactions. The conclusion highlights the findings and significance of the paper.

Analysing Enterprise Discourse

A proper analysis of the governing of the economy in liberal democracies, where citizens are not regularly subject to the explicit coercion of the state, requires “that policy should be located within a wider discursive field in which conceptions of the proper ends and means of government are articulated” (Miller and Rose 1990: 5). A way of talking about the economy, that dominates the discursive field, will allow policy to be operated at a distance. This will be done because the dominant discourse means that notions of what the economy is, and what policies are considered possible, are constituted and contained by that discourse. Enterprise discourse has been the dominant way of talking about economies since the collapse of the Keynesian consensus in the 1970s (Carr 1998; Du Gay and Salaman 1992; Fairclough 1991). A key part of that discourse is the belief in the rightness of market outcomes. The global economic crisis that began in 2008 has put that belief in the market under strain, as states stepped in to subsidise commercial firms, especially banks, in a most explicit way. It is therefore a crisis that puts the logic of enterprise discourse under strain. Ireland, in particular, is a place where enterprise discourse is at the cutting

1 Brian Lenihan, Jnr. was Minister for Finance between 2008 and 2011.
The country was heralded as a triumph of the market during its Celtic Tiger boom (e.g. Powell 2003), was a state where neo-liberal discourse dominated (Phelan 2007) and yet is portrayed as a disaster for neo-liberal policies in the bust (e.g. Krugman 2010). All this makes the discourses of the economic crisis in Ireland of wide concern.

There are a variety of approaches that can be adopted in analysing discourse (Wetherell et al. 2001; Wodak and Meyer 2009). The method used here is one informed by the approaches of Potter and Wetherell (1987) and Fairclough (2010). Despite ontological differences, these approaches share an orientation to the text that allows analysis to draw lessons from conversation analysis and linguistic approaches while not ignoring insights into the more macro context in which the interaction is situated. The next section provides a description of the context in which this analysis takes places.

The Economic and Political Context of the Interviews

Twenty years of economic expansion came to a jarring halt in the late 2000s as the economy plunged into recession (Timoney 2010). Between 1988 and 2007 the Irish economy expanded at an average of 6 percent per annum (IMF 2010a), transforming the country from one of the poorest in the European Union (EU) to one of the richest (see Figure 1). The creation of almost one million new jobs effectively doubled the workforce (ILO 2010). Traditional emigration was ended and workers came to Ireland from all over the world (O’Hagan and McIndoe 2008: 112). Unemployment declined from 17 percent in 1986 to just over 4 percent throughout the 2000s (IMF 2010b). This prosperity, with its associated deregulation, low tax rates and open economy was pointed to by neo-liberals as an example to be emulated (e.g. Powell 2003).

Figure 1: GDP growth (%); GDP per capita growth (%); Unemployment (%); Inflation (%)

Source: Government Indicators Database (http://www.iadb.org/datagob/)

This phenomenal performance was regarded as sustainable by most economists until around 2000 (Timoney 2010). As Figure 2 shows, exports, economic openness and Inward Foreign Direct Investment (FDI) stock began declining after 2000 and Ireland’s still impressive growth was seen as becoming much more fragile. In this context, economic activity became increasingly dependent upon the construction industry, especially for residential purposes, with residential investment coming to account for 13 per cent of GDP in 2006, double its historical level (Ahearne 2010). Many economists warned of a property bubble and the unsustainable level of house building (Barrett et al. 2005; Duffy 2002; FitzPatrick and McQuinn 2004; Kelly 2007).
At the centre of the Celtic Tiger were the Irish banks. Though initial house price inflation was driven by other factors, from 2003, at latest, banks began adding fuel to the fire with 100 per cent mortgages, large loan to value ratios together with a more relaxed approach to assessing credit worthiness (Honohan 2010: 25). As the Celtic Tiger developed the traditionally conservative Irish banks - Bank of Ireland and Allied Irish Banks (AIB) - were becoming more competitive and market orientated in response to the pressures of a more open financial services market. Among the new competitors were foreign banks entering the Irish market and more entrepreneurial native banks like Anglo-Irish. As the fight for market share intensified and the Celtic Tiger raced ahead Irish banking changed, becoming highly exposed to property prices: “the share of bank assets in property-related lending grew from less than 40 per cent before 2002 to over 60 per cent by 2006” Honohan (2010: 26). This was facilitated by Ireland’s membership of the Euro zone, with its historically low interest rates and by cash-rich international financial markets. Irish banks embraced this liquidity: “At end-2003, net indebtedness of Irish banks to the rest of the world was just 10 percent of GDP; by early 2008 ... [it] ... had jumped to over 60 per cent of GDP” (Honohan 2010: 26).

The state’s finances were tied closely to the property market and the construction industry. Irish property taxes were largely transaction charges and soared with an active and rising property market and correspondingly declined when property prices and transactions dropped. Figure 3 shows that while all tax incomes were down, stamp duty and capital gains tax collapsed from 2007 on (Barrett et al. 2009: 19). Additionally, as a significant proportion of economic activity was in the construction industry once that industry declined tax revenues from it collapsed.
On the expenditure side, government spending grew during the boom years, particularly from 2006. Irish and international agencies warned repeatedly of the danger of overheating the economy with the Department of Finance providing “clear warnings on the risks of pro-cyclical fiscal action” (Wright 2010: 21). Such warnings were not heeded until the crisis. The government's attitude to counter-cyclical policy was captured by the Minister for Finance, Charlie McCreevy (1997-2004), who “mocked economists’ warnings of the dangers of this stance with his widely publicised dictum: ‘When I have money I spent it; when I don’t, I don’t’” (Barry 2010: 38).

In 2008, as the global economic crisis took hold, international trade volumes collapsed and the large economies of Europe slipped into recession. The small Irish economy found itself at the mercy of events (Barrett et al. 2009: 5). As the economy slowed the house price bubble burst. The decline in house prices affected the entire economy with the associated fall in residential investment “estimated to have directly reduced the level of real GDP by 8 percent” (Ahearne 2010: 4). The economy contracted by 3 per cent of GDP in 2008 and 11.3 percent in 2009 (CSO 2010a). Between 2007 and 2009 unemployment tripled to 12 per cent (IMF 2010b). Private consumption decreased by 7 percent in 2009 with retail sales down 17 per cent and consumption taxes down 20 per cent (Barrett et al. 2009: 12). Outstanding tax debt – a measure of the financial distress businesses are experiencing – increased by 91 per cent between 2007 and 2009.3

The changes in the political context were nearly as dramatic. From 1997 the government was lead by Bertie Ahern of the Fianna Fáil (FF) party. The dominant party in the state from 1930s, FF had been a populist party that had recently adopted increasingly neo-liberal policies. The 2007 election saw the party returned to government with the much smaller Green Party joining them in a coalition. Less than a year after the election, Bertie Ahern, his personal finances under scrutiny, resigned as Taoiseach⁴. New Taoiseach, Brian Cowen, made Brian Lenihan Jnr. Minister for Finance just as the crisis began to bite. Lenihan (1959-2011), first elected to Dáil Éireann (lower house of Irish parliament) in a by-election in 1996 (Holohan 1996: 46), was part of a political dynasty that saw his father, grandfather, brother and aunt elected to the Dáil. After topping the

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2 http://www.esri.ie/irish_economy/permanent_tbesri_house_pl/
4 Irish term for Prime Minister.
poll in his constituency in the 2007 general election, he was appointed Minister for Justice, Equality and Law Reform (Donohoe 2007: 9), before becoming Minister for Finance in the cabinet reshuffle following Ahern’s departure. Lenihan’s tenure in Finance (2008-2011) was dominated by the economic and banking crises.

From 2007, as Irish house prices began to decline (Duffy 2010) and the seriousness of the subprime crisis in the USA became clearer (Bajaj 2007) international credit became tighter. There was a run on a British bank, Northern Rock, in September of 2007 which resulted in a state rescue and subsequent nationalisation (Reinhart and Rogoff 2009: 2). The following year US authorities refused to rescue one of America’s top five banks, Lehman Brothers. In early September of 2008 the US government nationalised the Federal Home Loan Mortgage Corporation (known as “Freddie Mac”) and its sister government sponsored organisation the Federal National Mortgage Association (known as “Fannie Mae”) (as the consequences of the weak performance of home loans in the US became more apparent (Edwards 2009: 147). By September 29th, 2008 share values in Irish banks were collapsing, with the biggest loser being Anglo-Irish Bank (Murphy and Devlin 2009: 4). Irish banks, now reliant on short-term international loans, faced a liquidity crisis. In response, the Irish government provided a full guarantee for all monies lent to the banks. While the Irish government initially resisted calls for nationalisation of the troubled banks by January, 2009, the decision was taken to nationalise Anglo-Irish Bank (O’Toole 2010: 208). The National Asset Management Agency (NAMA), established in late 2009, is tasked with managing the properties that constitute the banks’ “toxic assets”. It transferred public resources to the banks while socializing the risks associated with their assets (O’Toole 2010; Smith 2010). Since 2008, the estimated cost to the state of the rescue package has risen dramatically, with €70 billion the most recent figure (Carswell 2011:20).

**Analysis of three key interviews with the Minister for Finance**

Three key radio news pieces over three years, involving interviews with Ireland’s Minister for Finance, Brian Lenihan, are examined. The pieces were broadcast on the state-owned broadcasting company, RTÉ, main radio morning news program *Morning Ireland*. *Morning Ireland* is a national agenda setting news program similar to the British Broadcasting Corporation Radio 4’s *Today* or National Public Radio News’s *Morning Edition* in the US. The “news interview” interactional genre, that characterises the pieces examined here, plays a central role in such programs and its features have been well described (Clayman and Heritage 2002; Heritage and Greatbatch 1991; Hutchby 2006).
Table 1: Details on the radio interviews being analysed

<table>
<thead>
<tr>
<th>Radio piece</th>
<th>Date of occurrence</th>
<th>Duration</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview 1</td>
<td>Tuesday, 30th September, 2008.</td>
<td>5 minutes 53 seconds</td>
<td>A pre-recorded interview with the Minister for Finance is introduced by presenter Richard Downes. The interviewer is David Murphy, and after the interviews the piece is completed by a conversation between the interviewer and the presenter. The radio program is dominated by the news of a blanket guarantee given to the Irish banks earlier that morning.</td>
</tr>
<tr>
<td>Interview 2</td>
<td>Friday, 16th January, 2009.</td>
<td>9 minutes 47 seconds</td>
<td>A live interview with the Minister for Finance. John Murray is both presenter and interviewer. The program is dominated by the news that the state is to nationalise the scandal-ridden Anglo-Irish Bank.</td>
</tr>
<tr>
<td>Interview 3</td>
<td>Thursday, 30th September, 2010</td>
<td>16 minutes and 40 seconds</td>
<td>Long, in depth, live interview with the Minister for Finance. Aine Lawlor is both presenter and interviewer. The program is dominated by the news of €29-€34 billion figure for the bailout of Anglo-Irish Bank.</td>
</tr>
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As in any interaction, in these interviews there is a multitude of entities being constructed and therefore a multitude of different constructions on which discourse analysis might focus. It seems clear, for example, that the four ways Thompson (2009) theorises as constituting the popular framing of the financial crisis (“business as usual”, “globalization”, “the happy Scandinavian” and what might be termed the “libertarian” frame), could be used to analyze the data. However, the two features of the interaction that have been chosen to be examined here are labeled “Challenging Questions” and “Markets versus Politics”. The manner in which difficult questions are challenged by the interviewee is not only an interesting maneuver, but also does interesting work in constructing a representation of markets as a powerful external force in the face of which listeners ought to co-operate with the Minister. The interviews also show how Minister Leihihan constructs an elaborate contrast between issues that are the proper concern of markets versus issues which are the concern of politics. For example, everyday spending on state services seems to be legitimately political, whereas guaranteeing the lending to Irish banks seems to be a reality imposed by the market.

**Challenging Questions**

Unsurprisingly, the Finance Minister’s decisions are the subject of much controversy and yet in news interviews it is expected that both interviewer and interviewee, usually interactively achieve a good interview by maintaining the formal neutrality of the interviewer, who after all is there not to have his or hers questions answered for the sake of personal curiosity, but for the sake of the
listening audience (Clayman 1992). In Interview 1 much deference is shown to the Minister. The piece aired as a pre-recorded interview with the Minister of only 5 minutes 42 seconds, topped and tailed with sympathetic comments by the journalists. Extract 1 below presents some turns from Interview 1 (A Jefferson-style transcription notation is used for all extracts and detailed in Appendix A).
IR1 is the abbreviation for the interviewer who conducted this particular interview and MF is the abbreviation for the Minister for Finance.

5 IR1: People might ask themselves is this actually the Irish taxpayers bailing out the Irish banks?

6 MF: No the facility provided by the government will be subject to a charge or levy to the bank itself, the bank must pay that charge and the level of charge will be determined by the central bank who will advise the government on it.

7 IR1: Now people may also ask themselves, look the Irish banks have been involved in an awful lot of speculative lending, they've been involved in commercial property, there's been a lot of concerns about that and now the Irish government is stepping in and helping them out, surely we're rewarding very risky practices?

8 MF: No that's reflected in their share prices. The markets make judgments about the mistakes they made, we're not talking about their mistakes here, we're talking about their basic capacity to access funds in a world market that is now drying up of funds which are available for the use by banks and I can tell you if funds are not secured by the Irish banks it will be a very, very serious matter for economic life in this country. I think every business, every worker, everyone knows how short those funds have been in the last year, if they dry up entirely that is very, very serious for Ireland, we must take action to secure the stability of our banking system and that's what the government have decided to do.

9 IR1: Now if this doesn't work what happens next?

10 MF: I can assure you that the government have drawn up contingency plans for every scenario but I'd rather not dwell on them at this stage.

11. IR1: Now I notice that you're saying you're guaranteeing liabilities and cer–certainly if you look at the liabilities and you look at the assets there are more liabilities than there are assets within the Irish banking system does this mean the Irish government is actually exposed?

12. MF: No that's not correct. Of course every Irish bank has to write up its assets and liabilities and balance, the banks would be insolvent were that (.) were that not the case so the banks have to write up their assets and their liabilities to match each other and of course it's in taking account of that the government has intervened.

13. IR1: Did you ever consider actually bailing out a bank or do you think that this is the better method to go?

Source: RTÉ Morning Ireland Interview September 30, 2008.

In Extract 1 above, the interviewer can be heard in this pre-recorded interview to engage very strongly in footing shift (Clayman 1992), prefacing one of his questions with “People might ask themselves...” (Interview 1, Turn 5) and another with “Now people may also ask themselves...” (Interview 1, Turn 7). Furthermore, when the Minister offers assurance, in the case of the government’s actions not working, that are “contingency plans for every scenario” but that he “rather not dwell on them at this stage” (Interview 1, Turn 10), the interviewer quickly moves on.
to another topic. Though the Minister and the interviewer co-operate in the achievement of the formal neutrality of the interviewer in the interaction, an interesting feature of the subsequent interviews is the way the Minister breaks this convention and sharply declares some of the interviewers’ questions inappropriate. An example of this type of interaction can be seen in Extract 2 below.
Extract 2: An Extract from Interview 2

IR2 is the abbreviation for the interviewer who conducted this particular interview.

21 IR2: But surely it’s not business as usual at Anglo Irish Bank, who in their right mind would put money on deposit in the bank?

22 MF: That’s highly irresponsible, that comment and it is [it is actually

23 IR2: It’s a question] it’s a [valid question.

24 MF: No I'm sorry], no but you see the [more we.

25 IR2: The reason why] you nationalised the bank was

26 MF: No.

27 IR2: that people were taking their money out of the institution

28 MF: No, no, I

29 IR2: what would suggest to you is that your decision would change that?

30 MF: Excuse me I made the point that the posi--the funding position had become fragile before Christmas and [that we were monitoring it

31 IR2: People were taking money out of the bank]

32 MF: No some people took some money there was no run on the bank and I made that clear and I think this line of questioning is dangerous from this country's point of view. The position is

33 IR2: You you made the decision to nationalise the bank

34 MF: Yes, yes.

35 IR2: Questions arise from that

36 MF: Absolutely

37 IR2: the taxpayer has an exposure.


At the 21st Turn of the interview, after initial questions that contained much overlap and “correction” of the interviewer’s assumptions the interviewer asks “But surely it’s not business as usual at Anglo Irish Bank, who in their right mind would put money on deposit in the bank?” The Minister challenges this turn of the interviewer with “That’s highly irresponsible, that comment and it it is [it is actually” (Interview 2, Turn 22): the Minister has declared the interviewer is making a comment, not asking a question thereby clearly dispensing with the usual convention that the interviewer is neutral and furthermore declaring that “comment” to be “irresponsible”. The seriousness of this accusation in seen in the interviewer interrupting the turn of Minister and declaring that “It’s a question] it’s a [valid question.” Indeed, the interview proceeds for another
14 turns to tackle the issue of whether the interviewer’s questioning is valid. The Minister declares that he thinks “this line of questioning is dangerous from this country's point of view” (Interview 2, Turn 32), thus implicitly renewing his charge that the interviewer seems to have another point of view or “line” that differs from that of the country which the Minister presumably represents. After these points have been made the Minister, at the end of the extract, concedes that “questions arise” (Interview 2, Turn 32) and the interview proceeds.

The final interview, from which Extract 3 is displayed below, also includes elements of the Minister challenging the questions, though a little more subtly on this occasion.
Extract 3: An Extract from Interview 3

IR3 is the abbreviation for the interviewer who conducted this particular interview.

56 MF: “We’re not telling the bank manager that we’re going to default prior to asking for more money, no we’re not” and we haven’t been doing that as a government and the extensive national debate on this subject which has taken place in the last two years is taking place in an unreal context, this is a country which is highly dependent on international investment for jobs through the multinational sector, highly dependent on funding to keep the state going and highly fun highly dependent on international funding to keep the banks going and the governor of the central bank has advised me in recent days that it would be most unwise for Ireland to even contemplate discounts on senior debt that’s the advice of the governor of the central bank Patrick Honohan and I accept his advice and it’s not just abstract cautious banker advice it’s advice grounded in those economic realities I spelt out to you. We are dependent on international confidence and goodwill. That international confidence and goodwill is shaken by the fact that we have become so dependent on borrowing to keep our day to day services going. We are borrowing salaries, we are borrowing to ensure that the various state services are provided, we’re anxious to do that but there is a limit to it, it’s not a limitless operation, that’s what we’re being told by the world markets and we have to face up to that as a nation and as a people and all of the political system and the type of debate that we’ve seen here in the last two years, and I have to say it’s been very prevalent on your own national broadcasting organisation where there’s a constant debate about defaulting on our debt, it’s of really very, very limited help for those brave men and women who spend their time selling this country’s debt abroad, seeking to raise funds in other countries, it doesn’t assist us in any way. It it’s it’s of entirely marginal relevance to the real issues facing this country.

57 IR3: Can you absolutely rule out Ireland needing to call on the EU bailout fund in the short to medium term?

Source: RTÉ Morning Ireland Interview September 30, 2010.

Extract 3 opens with the Minister responding to previous questioning about why Irish taxpayers are putting their money into the Irish banks while the senior bondholders to Irish banks – international lenders to Irish banks – are guaranteed their money. By slowing and deliberating declaring that “<We’re not telling the bank manager that we’re going to default prior to asking for more money, no we’re not>” (Interview 3, Turn 56), Minister’s response harks back to his tactic, used in earlier interviews, of implying the interviewer is engaging in “dangerous talk” (see Extract 2 above). The Minister, by stating “we’re not telling the bank manager that we’re going to default prior to asking for more money”, is in a way likening the position of the state’s finances to those of a small enterprise in financial difficulty. However, that a “we’re not telling” tactic is less practical when it comes to the public finances, than with the finances of a small enterprise, does not seem to be part of the reality the Minister is constructing. Yet paradoxically, the Minister emphasizes that “extensive national debate on this subject which has taken place in the last two years is taking place in an unreal context” (Interview 3, Turn 56). This turn continues by pointing to the reality that Ireland “is a country which is highly dependent on international investment for jobs through the multinational sector, highly dependent on funding to keep the state going and highly fun highly dependent on international funding to keep the banks going” (Interview 3, Turn 56). This
kind of talk, or as the Minister puts it “the type of debate that we've seen here in the last two years”, has “been very prevalent on your own national broadcasting organisation where there's a constant debate about defaulting on our debt, it's of really very, very limited help for those brave men and women who spend their time selling this country's debt abroad, seeking to raise funds in other countries, it doesn't assist us in any way” (Interview 3, Turn 56). During this long turn the Minister positions the interviewer as belonging to an organisation that has not helped the nation’s “brave men and women”, a group to which the Minister refers to as “we”, in achieving what reality requires. At the end of the turn, the interviewer, unlike in Interview 2, does not seek to defend the legitimacy of the questioning, but moves on to another topic.

**Markets versus Politics**

In addition to the “Challenging Questions” discussed above, another feature of the Minister for Finance’s talk in these interviews is the work he does in constructing “market issues” as separate from politics.

This “Markets versus Politics” contrast is illustrated in Extract 3 above. In addressing the issue of the state guarantee for loans to Irish banks, the Minister moves the discussion away from the banks. He does this by placing the issue in what he constructs as the more real context of “a country which is highly dependent on international investment for jobs through the multinational sector, highly dependent on funding to keep the state going and highly fun highly dependent on international funding to keep the banks going” (Interview 3, Turn 56). After citing advice that “it would be most unwise for Ireland to even contemplate discounts on senior debt that's the advice of the governor of the central bank Patrick Honohan” (Interview 3, Turn 56), the shift from the issue of banking to public spending is completed. The Minister then moves on to declare that

> ... international confidence and goodwill is shaken by the fact that we have become so dependent on borrowing to keep our day to day services going. We are borrowing salaries, we are borrowing t--to ensure that the various state services are provided, we're anxious to do that but there is a limit to it, it's not a limitless operation, that's what we're being told by the world markets and we have to face up to that as a nation.” (Interview 3, Turn 56)

As was seen in Extract 3 above, the interviewer in Turn 57 asks a question that changes the topic. Extract 4 below begins immediately following that turn.

**Extract 4: An Extract from Interview 3**

58 MF: No what I have to say is that and Commissioner Rehn dealt with this yesterday, he believes that Ireland doesn't need to go into the facility, he was quite adamant about that but Commissioner Rehn also said that the government needs to have a credible plan to demonstrate how they will address the budget deficit by 2014, I agree with him, the government agree with him, the government arrived at the same conclusion at the at their recent meetings and we will publish in early November a detailed plan setting out all of the options in relation to both expenditure, taxation and above all growth and jobs because we're not going to cut ourselves out of a recession, there has to be a parallel strategy in relation to growth and jobs but it has to be a realistic strategy as well. There are some personalities
who stand up in the Dáil and talk about jobs all the time but have no realistic proposals for how we actually obtain them.

59 IR3: Minister if we're looking at the cost of the bank bailout as announced this morning, if we're looking at getting the government deficit from 32% to 3% in four years, surely your options in terms of that budget plan are for cuts or taxes and that burden falls on the Irish citizen.

60 MF: No let's be clear first of all because many listeners will be misled what you said about 32 to 3%, it will be a little, er, will be a little over 11% and 11.5% and I think that's the key point, that's the crucial point here so we have to reduce it from the 11½% this year, which is the targets that were set out in last year's budget and which has been met and will be met, has been met to date in terms of tax receipts and expenditures and will be met by the end of the year. We have to take that target and we have to see how that particular figure can be reduced to 3% by 2014. That's the challenge in relation to the public finances of the state. The banks are out of the way, now let's have a clear debate on the public Finances and how they can be adjusted.

Source: RTÉ Morning Ireland Interview September 30, 2010.

When asked about the issue of whether Ireland would have to avail of an EU bailout fund the Minister reinforces the shift to concentrate on matters of public finances apparently unconnected with banking “the government arrived at the same conclusion [as the EU Commissioner] at the at their recent meetings and we will publish in early November a detailed plan setting out all of the options in relation to both expenditure, taxation and above all growth and jobs” (Interview 3, Turn 58). When asked about “getting the government deficit from 32% to 3% in four years” (Interview 3, Turn 59), the Minister’s reply shows that for him the funds consumed in the support of banks do not count: “the crucial point here so we have to reduce it from the 11½% this year” (Interview 3, Turn 60). The difference between the interviewer’s 32 per cent and the Minister’s 11½ per cent is the amount that has been written off of the government’s support for the banks. By setting this support for the banks aside, though it accounts for most of the deficit, the Minister lessens the apparent scale of the crisis. Furthermore, by essentially “disappearing” the amount of deficit accounted for by subsidies to the banks, the Minister attempts to move the discussion on to the ordinary state spending and revenue decisions: “The banks are out of the way, now let’s have a clear debate on the public Finances and how they can be adjusted” (2010 Interview, Turn 60).

This work by the Minister of shifting the issue from private realm to the state finances can be seen in Extract 1 above. Extract 1 opens with the interviewer asking "is this actually the Irish taxpayers bailing out the Irish banks?" (Interview 1, Turn 5) and the Minister’s reply carefully constructs the bank guarantee as much more of a market transaction than a bail out: “No the facility provided by the government will be subject to a charge or levy to the bank itself, the bank must pay that charge and the level of charge will be determined by the central bank who will advise the government on it” (Interview 1, Turn 6 – see Extract 1 above). Rather than a “bail out” the banks are paying the government for this service and the price is determined by the impersonal force of the central bank. Çalışkan and Callon’s (2010: 13) observation that “it is by affirming the autonomy of calculating agencies that markets are able to conceal and to
legitimately impose the asymmetries that develop out of the achievement of calculative capacities”, help understand the role the Minister is attributing to the central bank here.

The interviewer then asks, in the light of the banks’ “speculative lending” if “we’re rewarding very risky practices?” (Interview 1, Turn 7 – see Extract 1 above). The Minister separates out these risky practices as concerns of the market: “No that’s reflected in their share prices. The markets make judgments about the mistakes they [the banks] made,” and declares that “we’re not talking about their mistakes here, we’re talking about their basic capacity to access funds in a world market that is now drying up of funds” (Interview 3, Turn 8 – see Extract 1 above). A few turns later the interviewer returns to the issue of government funds being used to support the banks: “you’re guaranteeing liabilities and cer--certainly if you look at the liabilities and you look at the assets there are more liabilities than there are assets within the Irish banking system does this mean the Irish government is actually exposed?” (Interview 3, Turn 11 – see Extract 1 above). To this the Minister gives an assuring, if rather mystifying, response beginning with an emphatic “No that’s not correct” (2008 interview, Turn 12). The Minister then elaborates with “Of course every Irish bank has to write up its assets and liabilities and balance, the banks would be insolvent were that (. ) were that not the case” (Interview 1, Turn 12 – see Extract 1 above). Why the Minister says “every Irish bank” rather than just “every bank” is unclear. Also unclear is how the accounting identity involved in the “write up” of balance in assets and liabilities would be affected by insolvency. Yet, this logical outcome of double-entry bookkeeping that match assets and liabilities is apparently significant enough that “it’s in taking account of that the government has intervened” (2008 interview, Turn 12 – see Extract 1 above).
An Extract from Radio Interview 2 with the Minister for Finance

MF: Absolutely the taxpayer has an exposure, Ireland has an exposure if the bank fails, that's the crucial point that has to be recognised here and the government is taking decisive action to ensure that there's no exposure for Ireland here. That's the fundamental issue in relation to the nationalisation of Na of Anglo Irish Bank.

IR2: <Were representations made to you by big shareholders at Anglo Irish like Seán Quinn for instance>?

MF: >Certainly not↓< and I can tell you the position of Allied of of Anglo Irish Bank has been fragile since since last summer and I have watched this position night and day and received representations from nobody at the bank and there's no point in suggesting that there's any political influence or representations here. My sole interest as Minister for Finance is the stability of the Irish financial system and all decisions taken by the government are designed to secure the stability at a time of considerable international stress.


The way in which the Minister carefully constructs some actions as those of the market (and therefore nothing to do with his decisions as a government minister) and some actions as those proper to the state (and therefore part of his legitimate decisions) is also seen in Extract 5 above. Extract 5 starts from where Extract 2 above ends. It begins with the Minister declaring that “Ireland has an exposure if the bank fails” (Interview 2, Turn 38): the action that causes the exposure is made to seem an inevitable consequence of the bank’s failure rather than of any position the government adopted towards that failure. The “bank” and “Ireland” seem to be entirely separate actors. For the Minister that is “the crucial point that has to be recognised here” (2009 interview, Turn 38). Once this seemingly inevitable market reality is accepted, the Minister can immediately portray the government as very active and decisive: “the government is taking decisive action to ensure that there's no exposure for Ireland here” (Interview 3, Turn 38). The costs for Ireland of the banks’ failure is apparently a natural unavoidable event, but somehow an inevitable exposure is magically avoided through the government’s action of nationalisation. The bank’s nationalisation is presented as purely in the state’s interest. This is certainly the meaning that the interviewer’s next turn challenges: “<Were representations made to you by big shareholders at Anglo Irish like Seán Quinn [a well-known Irish entrepreneur] for instance>?” (Interview 2, Turn 39). The Minister rejects the suggestion immediately with a quick “>Certainly not↓<” (Interview 3, Turn 38), followed by an elaboration that explains that he “received representations from nobody at the bank and there’s no point in suggesting that there’s any political influence or representations here. My sole interest as Minister for Finance is the stability of the Irish financial system and all decisions taken by the government are designed to secure the stability at a time of considerable international stress” (Interview 2, Turn 38).

Conclusions

Minister Lenihan’s ability to use enterprise discourse in his manipulation of the conventions of the news interview shows both its pertinence and malleability in dealing with the financial crisis. Whereas it is clear that the granting of such a massive state subsidy to private banking enterprises, put enterprise discourse under strain, enterprise discourse was very much alive in the interactions analysed. The separation of the market from politics is key to enterprise discourse (see for
example, Fairclough 1991:42) and our analysis shows the creative work done by the Minister in reinforcing this separation. This maintenance of marketization involved appealing to the calculating authority of the market itself and of using the independence of the central bank where the market would not suffice (Çalışkan and Callon 2009; 2010). Furthermore, the deployment of enterprise discourse in circumstances where the state’s involvement in the market is so obvious highlights its persistence despite massive, highly tailored and explicit state involvement in the market.

Minister Lenihan’s technique of challenging the questions put to him also owes something to enterprise discourse. In itself, it is an enterprising move, disrupting the rules and changing the game of the news interview. By declaring the interviewer’s question to be an irresponsible act, the Minister seeks to undermine the ethical position of the interviewer as an office holder that is asking questions, not in a personal capacity, but for and on behalf of, the listening public. This personalization of office is characteristic of enterprise discourse (Du Gay 1993). Additionally, the content of the challenges from the Minister drew heavily on the metaphor of the state as an enterprise, for example in almost seeming to ask the interviewer to collude in “not telling the bank manager” (see Extract 3 above).

Since these interviews were conducted the Irish economic crisis has deepened. At the end of November 2010, in order to fully recapitalise the now effectively nationalized banks and to allow the state meet its budgetary obligations, Ireland accepted an International Monetary Fund (IMF) and EU bailout package valued at €85bn (Labanyi 2010). The following February a general election was held after the governing coalition collapsed. This election saw the long governing FF, of which Minister Lenihan was member, retain only a 12 percent presence in parliament. FF’s defeat is widely regarded as an historic reversal of fortune for the party that has dominated Irish politics.

However, this election did not necessarily represent an abandonment of enterprise discourse. Indeed, the most successful party in the February 2011 election, with almost 46 percent of parliamentary seats was the right-wing Fine Gael party (a member of the European People’s Party) whose policies contain perhaps even more enterprise discourse than the outgoing FF. Left-leaning candidates filled an estimated 25 to 42 percent of the parliamentary seats (depending upon how left is defined in the Irish context) reaching an historic high. The Irish Labour Party (a member of the Party of European Socialists) was the most successful on the left with a little over 22 percent of the parliamentary seats and while its policies tend to be less dominated by enterprise discourse than those of the right, the experience of its sister parties across Europe shows the movement is not immune to the hegemony of enterprise discourse (Fairclough 2009).

Thus, what this crisis emphasises is the durability of enterprise discourse. The dramatic failure of enterprise discourse in the Irish economy, rather than undermining faith in it, seems to have reinforced belief in the necessity of applying it. Perhaps what we have here is a situation where the extant ideological paradigm has been found wanting, but as Hogan and Doyle (2007) argue, in lieu of an alternative paradigm appearing, and being championed by the political elite, the Irish political economy seems to be reflexively re-embracing the failing paradigm. That alternative paradigms do not appear, or adhere sufficiently, is due, at least partially, to the flexible and powerful use of enterprise discourse that our data demonstrates.

References


Carswell, Simon. 2011, April 1. At long last, an endgame for our shattered banks. The Irish Times, April 1, p. 20.


Labanyi, David. 2010, 28 November. Ireland to receive €85 billion bailout at 5.8% interest rate. *The Irish Times*, 10.


APPENDIX A: THE JEFFERSON-STYLE TRANSCRIPTION NOTATION USED

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>.</td>
<td>A stopping fall in tone firmly understood as a full stop</td>
</tr>
<tr>
<td>,</td>
<td>A brief pause understood as a comma</td>
</tr>
<tr>
<td>-</td>
<td>Indicates a sudden stop understood as breaking with previous sense</td>
</tr>
<tr>
<td>(.)</td>
<td>A brief but noticeable pause.</td>
</tr>
<tr>
<td>(#)</td>
<td>A timed paused where # is the number of seconds</td>
</tr>
<tr>
<td>↓</td>
<td>A falling tone</td>
</tr>
<tr>
<td>↑</td>
<td>A rising inflection not understood as a question</td>
</tr>
<tr>
<td>↑↑</td>
<td>A rising inflection not understood as a question</td>
</tr>
<tr>
<td>↑↑↑</td>
<td>A rising inflection not understood as a question</td>
</tr>
<tr>
<td>&gt;text&lt;</td>
<td>Enclosed speech was delivered more quickly than usual</td>
</tr>
<tr>
<td>&lt;text&gt;</td>
<td>Enclosed speech was delivered more slowly than usual</td>
</tr>
<tr>
<td>...</td>
<td>Deliberated excluded talk within a turn</td>
</tr>
<tr>
<td>[text]</td>
<td>Square brackets enclose overlapping speech</td>
</tr>
<tr>
<td>ALL CAPS</td>
<td>Shouted or increased-volume speech</td>
</tr>
<tr>
<td>“text”</td>
<td>Enclosed speech is noticeably softer than surrounding</td>
</tr>
<tr>
<td>Underlined text</td>
<td>Speaker is stressing the underlined speech.</td>
</tr>
<tr>
<td>( text )</td>
<td>Enclosed is transcriber’s best guess of unclear speech.</td>
</tr>
<tr>
<td>(( text ))</td>
<td>Enclosed is a report of non-verbal activity, deliberate replacement of speech, or an inserted clarification.</td>
</tr>
</tbody>
</table>

Note: This transcription notation is based on the notation developed by Gail Jefferson as described in Atkinson and Heritage (1984).