

Legends Consulting Country Fact Sheet



IRELAND

CURRENCY: EURO / NORTHERN IRELAND: ENGLISH POUND

Introduction

Ireland is actually broken up into two separate states: Northern and Southern Ireland (simply known as Ireland). Northern Ireland is a British colony, using the English *pound* and subscribing to British rule. On the other hand, Ireland is a member of European Union, using the *euro*. Culturally the two countries are also very different; the Northern Irish are often called “Orange” or “Prots” (due to the fact that the majority of the English are Protestant) while the Irish are called “Green” or “Celts” (due to their Celtic origin). Long-standing animosity runs between the regions, evidenced in “The Troubles” that occurred at the end of the 20th Century between the English military housed in Northern Ireland and the poorer Irish groups. The warring between Irish and British factions is now referred to as “The Troubles.” While today The Troubles are largely a memory, many sculptures and murals exist in the city commemorating bloodshed and Irish guerilla organizations like the NRA still maintain considerable power within the illegal markets and popular culture. Generally speaking the Irish government (a Parliamentary democracy) has cooperated with the British against terrorist groups and has sought peaceful unification of Ireland and its Northern counterpart, implementing a slow peace settlement due to difficulties.



Business

Conducting business with the Irish is much less formal than other areas of Europe and the world. Typical Western means of greeting, like shaking hands and making eye contact, are respected. Displaying a sense of humor and acting casual and personable are valued traits of the foreign business person. Because Ireland is a small nation with a rather tight-knit business community, many Irish do not carry business cards. In fact, most business is solicited via recommendations and references from friends and family. The line between personal and business pursuits is thin, and many Irish include family and friends in their business activities.

It is also due to the personal nature of this relationship-oriented business style that it is very important for Irish business men not to “lose face” within their business society. They are highly sensitive to losing general respectability and will go to great lengths to protect their business reputation. For this reason the Irish business man is not likely to say “no,” even if they are aware of the improbability of a business pursuit long before the contract is solicited. It is common for foreign business people to believe that they are near securing a contract when their Irish counterpart has no intention of signing. When a business partner becomes silent before agreeing it may be a sign that they are actually tentative to secure the agreement. When the social aspect of business is valued as enjoyable and the trait of a good host, saying “no” is difficult for the Irish.

The pub culture is integral to the overall function of Irish society, so it is not uncommon for business meetings to be held in pubs, bars, or similar drinking venues. Small talk and humor are always welcome in these settings: Everyone is expected to contribute. Do not expect an agenda or a short meeting.

Travel

Traveling by car in Ireland poses considerable difficulties, although it is one of the cheapest and most efficient means for getting around. While there is an extensive motorway system, local roads are narrow, winding, and ill-kempt, meaning that a short distance may take three or four times as long to travel. Many of the large motorways charge tolls, which are low by many European standards. Be aware that many of these tolls take only cash. Traveling along rural roads poses many threats, from people and animals on the road to a lack of signage. Calculating driving time should always be lower not higher than expectations.

There are many car hire companies in Ireland, although it is advisable to get a better deal by avoiding those at the airport. The Irish drive on the left side of the road and many cars have manual transmissions, so hiring a driver is also recommended. Roundabouts are the most common traffic regulators in the country. Drivers often thank one another by waving or using hazard lights. Signs are bilingual, written in Gaelic and English. Because Irish taxi drivers are less likely to drive around in search of customers than many Western drivers, it is advised to call a taxi in as much advance as possible. Be prepared to give a contact phone number. Taxis are an affordable and safe means of travel, as they operate on a National Fare basis.

Taking trains between major and minor cities is also a popular means of travel, especially for the business-class. The train system is affordable and easy to navigate, with information available online and at every station. Trains are recommended for short and long-term travel in the country.

Demographics

The Gaelic language is traditionally spoken in Ireland. While it is still used in signs and proper nouns, it is spoken by very few Irish outside the big cities. English is the official language and the most widely used.

Catholicism and its traditions run strong within the Irish population, displayed in the great number of old and decaying churches in the regions. Correspondingly, familial and personal values often fall in line with Catholic teachings; most families are arranged in a patriarchal manner and it is immensely important to be loyal to one's family. For this reason many business people may find themselves without a job if their partner's family-member seeks to the same position; conversely, getting to know the family of a potential partner may result in an augmented contract or business deal. The majority of higher-level business executives in Ireland are men, while the household is most often head by a strong female figure.

Although agriculture and fishing are still major industries in Ireland, the majority of its people live in urban centers. The largest city and country capital is Dublin, and it is a hub of business and cultural activity.

Views toward foreigners

The Irish economy is highly dependent on foreign direct investment, industry, and tourism, a fact understood by the vast majority of the Irish population. Therefore, the Irish are likely to treat tourists and foreigners amiably. The population understands its international stereotype as being a humble, comical, drinking people, and will play up to that stereotype if they believe it brings in income or pleases a visitor. The generally positive Irish attitude is extended to foreigners on business and leisure.

In recent years there have been popular movements against the "gypsy," nomadic populations of Roman descent. These populations mostly have darker features and are viewed as a taxing element of an already-burdened economy. Therefore, Western and Caucasian foreigners may be better received than those who are dark-skinned and haired and of Roman descent. Still, the majority of the Irish will accept any foreigner with open arms.

Economic Overview and selected data

(The information below is taken directly from the CIA World Factbook: www.cia.gov/library/publications/the-world-factbook/)

Ireland is a small, modern, trade-dependent economy. Ireland was among the initial group of 12 EU nations that began circulating the euro on 1 January 2002. GDP growth averaged 6% in 1995-2007, but economic activity has dropped sharply since the onset of the world financial crisis, with GDP falling by over 3% in 2008, nearly 8% in 2009, and 1% in 2010. Ireland entered into a recession in 2008 for the first time in more than a decade, with the subsequent collapse of its domestic property and construction markets. Property prices rose more rapidly in Ireland in the decade up to 2007 than in any other developed economy. Since their 2007 peak, average house prices have fallen 50%. In the wake of the collapse of the construction sector and the downturn in consumer spending and business investment, the export sector, dominated by foreign multinationals, has become a key component of Ireland's economy. Agriculture, once the most important sector, is now dwarfed by industry and services. In 2008 the COWEN government moved to guarantee all bank deposits, recapitalize the banking system, and establish partly-public venture capital funds in response to the country's economic downturn. In 2009, in continued efforts to stabilize the banking sector, the Irish Government established the National Asset Management Agency (NAMA) to acquire problem commercial property and development loans from Irish banks. Faced with sharply reduced revenues and a burgeoning budget deficit, the Irish Government introduced the first in a series of draconian budgets in 2009. In addition to across-the-board cuts in spending, the 2009 budget included wage reductions for all public servants. These measures were not sufficient. In 2010, the budget deficit reached 32.4% of GDP - the world's largest deficit, as a percentage of GDP - because of additional government support for the banking sector. In late 2010, the COWEN Government agreed to a \$112 billion loan package from the EU and IMF to help Dublin further increase the capitalization of its banking sector and avoid defaulting on its sovereign debt. The government also initiated a four-year austerity plan to cut an additional \$20 billion from its budget. A return to modest growth is expected in 2011.

Selected Statistical Data - Ireland

GDP (purchasing power parity) - \$172.3 billion (2010 est.) - Country comparison to the world: 57

GDP (per capita) - \$37,300 (2010 est.) - Country comparison to the world: 27

GDP – composition by sector – Agriculture: 2%, Industry: 29%, Services: 70%

Labor Force – 2.14 million (2010 est.)

Unemployment Rate – 13.6% (2010 est.) – Comparison to the world: 142

Inflation Rate (consumer prices) - 0.9% (2010 est.) – Comparison to the world: 6

Industries - pharmaceuticals, chemicals, computer hardware and software, food products, beverages and brewing; medical devices

Exports: \$110.1 Billion (2010 est.) – Comparison to the world: 34

Exports – Commodities: machinery and equipment, computers, chemicals, pharmaceuticals; live animals, animal products

Exports – Partners: US 22.1%, UK 16.1%, Belgium 15.1%, Germany 8.1%, France 5.3%, Switzerland 4.2% (2010)

Imports: \$61.63 Billion (2010 est.) – Comparison to the world: 41

Imports – Commodities: data processing equipment, other machinery and equipment, chemicals, petroleum and petroleum products, textiles, clothing

Imports – Partners: UK 37.7%, US 13.8%, Germany 7.6%, Netherlands 5.6%, China 4.1% (2010)

Chief of State- President Michael D. HIGGINS (since 29 October 2011)

Head of Government- Taoiseach (Prime Minister) Enda KENNY (since 9 March 2011)

Area – Comparative: slightly larger than West Virginia

Coastline - 1448 km

Natural Resources - natural gas, peat, copper, lead, zinc, silver, barite, gypsum, limestone, dolomite

Population - 4,670,976 (July 2011 est.) country comparison to the world: 120

Median Age - 34.8 years

Urbanization - urban population: 62% of total population (2010)

Major Cities – population - DUBLIN (capital) 1.084 million (2009)

Ethnic Groups - Irish 87.4%, other white 7.5%, Asian 1.3%, black 1.1%, mixed 1.1%, unspecified 1.6% (2006 census)

Religions - Roman Catholic 87.4%, Church of Ireland 2.9%, other Christian 1.9%, other 2.1%, unspecified 1.5%, none 4.2% (2006 census)

Literacy - definition: age 15 and over can read and write total population: 99%

Government Type – Republic, parliamentary democracy

Not listed above

GDP Real Growth rate- -1%

Labor force by occupation- agriculture 5%; industry 20%; services 76%

Public debt- 94.9% of GDP

Commercial bank prime lending rate- 5.45%

Market value of publicly traded shares- \$63.1 billion

Agricultural products- beef, dairy products, barley, potatoes, wheat

Industrial production growth rate- 7.4%

External debt- \$2.357 billion

Stock of direct foreign investment at home- \$228 billion

Exchange rate- .755 euros per US dollar (2010)

This Country Fact Sheet is designed to provide a very general overview and a broad perspective on the country as a whole. This paper is purposed as a starting point for those interested in doing business in or with the county described. More in-depth information for specific commercial and business utilization is available to our clients and/or on request.

For more complete information or for specific questions please contact us at: inquiry@legendsconsulting.net.

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