

Ireland has the gloomiest view of Brexit

Britain's EU withdrawal will hit us the hardest, experts believe

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German Chancellor Angela Merkel and Taoiseach Enda Kenny at a joint press conference last month
Photo: AP/Markus Schreiber

Financial and economic experts in Ireland are the most pessimistic of any country about the impact of Britain's withdrawal from the European Union, according to an influential German think-tank.

More than 700 experts in more than 100 states across the world were asked how Brexit would affect their country and the Irish response was the most downbeat in Europe, according to the study by the Munich-based Ifo Institute.



Looking at the impact over the coming years, the Irish contingent was even more negative than the expert response from the UK itself, the institute said.

The Ifo Institute is regarded as one of the leading economic research bodies in Europe and prides itself on being one of the most quoted in the German media.

The findings of this latest survey will reinforce to the German government the concern in Ireland regarding Brexit.

Taoiseach Enda Kenny has already travelled to Berlin to highlight to Chancellor Angela Merkel the difficulties posed for Ireland, both economic and political in terms of Northern Ireland, as a result of the vote in the UK on June 23 to leave the European Union.

Last month, Ifo put a question to 762 experts in 112 countries about the impact of the UK's vote to leave.

"There was a scale from zero to 100 and the experts could choose just one number for this year and another number for the coming three to five years," Ifo economist Dr Andreas Steiner told the Irish Independent.

"For all countries, Ireland is the one with the lowest number, lower than the United Kingdom itself. For some countries, the experts think that the effect worsens over time, with a strong hit in the first year and then some relief.

"But for Ireland, the experts expect a very strong effect this year. For the next three to five years, the numbers are also the lowest for the whole set of countries that are included."

He said the experts included leaders at multinational firms, banks, chambers of commerce, and academics.

The survey also found that Brexit is expected to have a minimal impact on North America and the Middle East.

The most significant short-term effect will be on the so-called EU15, which refers to Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the UK.

"In the medium term (in three to five years), Brexit is expected to have a dampening effect on the economies of all EU member states," Ifo said.

The Government here has been keen to ensure that European leaders, including Mrs Merkel, understand the particular difficulties faced by Ireland.

A senior civil servant told an event organised by the Irish Exporters Association recently that Ireland's "unique position" was recognised internationally.

Rory Montgomery, Ireland's "principal-level Brexit negotiator at EU level", said Mrs Merkel raised the issue of Northern Ireland when speaking with international leaders about Brexit at a conference in Mongolia recently.

But although Mr Kenny met with her to highlight that unique position, Mrs Merkel has said Ireland's concerns would be treated only on a par with those of the remaining 27 EU states.

However, the German Chancellor said she recognised that the Common Travel Area between Ireland and Britain had been in place since 1922.

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