

# Gaeltacht Entrepreneurship: An Opportunity for Integrated Development, Yet Peripheral in Many Ways



E M E R N Í B H R Á D A I G H \*

## INTRODUCTION

The Gaeltacht areas were first officially designated in 1926 as areas where the Irish language was spoken by a substantial proportion of the population. After a number of changes over the years, the current Gaeltacht is spread over twenty-four non-contiguous areas across seven counties (Donegal, Mayo, Galway, Kerry, Cork, Waterford and Meath). It is defined at electoral division (ED) and townland level, leading to many difficulties and a lack of clarity in many developmental issues. The 2006 Census of Population records 92,777 inhabitants in the Gaeltacht and, with the exception of part of Galway city and its suburbs, there is only one Gaeltacht town with a population of over 1,500 people: An Daingean (Dingle) in County Kerry. The Gaeltacht is disadvantaged in terms of many of the common yardsticks such as location, infrastructure, education, socio-economic conditions, health services, unemployment and the language itself. For example, in the 2002 Census, five of the top six EDs with the highest rate of unemployment in the state were in the Gaeltacht, with rates of over 35 per cent in each case. On the other hand, areas such as the suburbs of Galway city and surrounding areas are closer to national averages.

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## PUBLIC POLICY AND ADMINISTRATION

Since its legal inception, the Gaeltacht has been treated as a separate entity in many national governmental issues. This is most notable in the area of industrial and enterprise development, where the scattered region is administered by the Department of Community, Rural and Gaeltacht Affairs rather than the Department of Enterprise, Trade and Employment. The remit of Údarás na Gaeltachta (the Gaeltacht Development Authority) is the economic, social and cultural development of the Gaeltacht. It was established in 1980 (after the disbandment of its predecessor Gaeltarra Éireann) and its role and board membership structure is currently being reviewed by the Minister of Community, Rural and Gaeltacht Affairs. Údarás is unusual as a development agency in that seventeen of its twenty (chair person and nineteen members) board members are directly elected by Gaeltacht residents, in a system essentially identical to the local county council elections. Thus many of the Board members are also county councillors. This has led to a dearth of expertise on the board in areas such as enterprise development, sociolinguistics and strategy, and to accusations of parochialism and lack of vision. By comparison, the board of organisations such as the IDA (Industrial Development Agency), Enterprise Ireland and Forfás are appointed for their relevant knowledge and experience, albeit as political appointments.

Údarás na Gaeltachta has the opportunity to develop integrated strategies and supports for enterprise development due to its wide developmental (not educational) remit stretching from community development, and socio-cultural and linguistic development, through to enterprise development. However, it is debatable whether this opportunity has been fully exploited, and indeed whether the result of such a wide brief might make it difficult to develop specialist knowledge. In terms of enterprise development (inward investment is coordinated through the IDA), Údarás na Gaeltachta is the Gaeltacht counterpart of Enterprise Ireland and also of the County Enterprise Boards (CEB), yet it is not sufficiently integrated with these bodies. Údarás is not part of the CEB network, and a lack of consistency in policy and practice in its relationship with the various CEBs has been previously noted (Fitzpatrick & Associates, 2003). There is also insufficient integration

into the national entrepreneurship debate and policy-making. While Údarás senior management often sit on coordinating bodies, they are not closely involved in the strategic development of entrepreneurship policy. For example, of the 230+ people involved in the Enterprise Strategy Group (2004) and its advisory panels, there was not one single representative from Údarás na Gaeltachta. Údarás did however make a submission to the Group. No companies located in the Gaeltacht made a submission or had representation on any of the advisory panels. Similarly, Gaeltacht enterprise development is omitted from the *Review of Industrial Performance and Policy* (Department of Enterprise, Trade and Employment, 2003), and from the GEM 2003 review of support programmes for innovation and entrepreneurship (Fitzsimons et al., 2003).

#### CURRENT ISSUES

In line with national thinking and policy, Údarás na Gaeltachta's general policy emphasised attracting external investment, but in recent years it viewed indigenous entrepreneurship as providing more sustainable economic development. The main barriers to entrepreneurship in the Gaeltacht are no different to those experienced by any peripheral rural area (e.g. lack of infrastructure, distance from urban areas). However these problems are compounded by the lack of Irish language services, and the constant reminder of marginality this absence brings. There is a mistaken belief that Gaeltacht enterprises enjoy special status and support. In terms of capital grant aid, the same rules and regulations apply as exist in other regions (such as the Border, Midlands and West region). There are, however, some additional small-scale soft supports available, such as factory/office space.

Údarás na Gaeltachta's development plan for 2005–2009 concentrates on indigenous enterprise development, sustainable development, natural resources and language-based or language-related projects. Údarás now aims to have up to 60 per cent of its supported employment in indigenous small enterprises of up to twenty employees. Twenty per cent of capital expenditure will be on language-based enterprises. The language is essentially the main natural resource and competitive advantage of the Gaeltacht. Translation, subtitling, language learning and publishing are examples

of possible activities. The problem with these activities is that they are ultimately primarily dependent upon State funding (e.g. school books, or the requirements of the Official Languages Act that all state organisations provide services and publications through the medium of Irish). This problem is best exemplified through the difficulties of the Gaeltacht-based audiovisual sector. This sector was developed from the late 1980s onwards in preparation for the eventual foundation of TG4 (then Teilifís na Gaeilge) in 1996, but has now reached the shakeout stage and the surviving companies are seeking alternative markets overseas, some with great success (Quinn, 2004). Ironically, one of the sectors also being developed (call/contact centres) requires employees with English rather than Irish language fluency.

The Gaeltacht was to the forefront in developing fish-farming in Ireland in the 1960s and 1970s, but the recent internationally led changes in the fishing industry pose a challenge. While the Irish Salmon Producers' Group, established in a remote area of the Galway Gaeltacht, now handles the marketing of 70 per cent of farmed salmon in Ireland, the benefits of value-added production have yet to be exploited fully. Only 10 per cent of the fish caught in Gaeltacht waters is processed beyond primary processing within the Gaeltacht.

#### WHO ARE THE ENTREPRENEURS?

Role models are a valuable way of encouraging entrepreneurial behaviour. Pádraig Ó Céidigh of Aer Arann would be the best-known contemporary Gaeltacht entrepreneur and he continues to live in the Gaeltacht, although the focus of his business is outside the area. There are very few other indigenous role models. Indeed this has been an ongoing problem with Gaeltacht-born people only recently achieving senior management positions in *Údarás na Gaeltachta*, despite its history going back to the late 1950s. As often happens in rural areas, inward migrants are very active in establishing new enterprises. Many of the co-operatives established in the 1960s and 1970s were run by inward migrants. Up to the last decade the typical role model in the Gaeltacht was the builder or tradesman emigrating to England or the United States, sometimes returning home and becoming a prosperous builder or developer. Teaching

was also a popular career choice due to the State's need for fluent Irish speakers in the school system. Gaeltacht communities are active mainly through the thirty co-operatives that now provide a wide range of services and their continuing importance is reflected in the recent allocation of €3 million for the sector. Some of the early activities of these co-operatives spawned what have now evolved into successful privately owned enterprises such as the manufacturer of high quality knitwear Cnìotáil Inis Meáin (<<http://www.inismeain.ie>>).

The industrialisation of the Gaeltacht was largely top-down and State-led, leading to a community culture of cynicism regarding the profitability and longevity of industries such as textiles, paper, plastics and light engineering, many of which were State-owned, or part State-owned joint ventures. The main patterns of indigenous entrepreneurship to emerge in the Gaeltacht are tourism or natural marine resource-based. As with the marine resources, tourism, in the form of Irish colleges and other cultural and linguistic tourism enterprises, provides a seasonal occupation, often combined with multiple other sources of income such as fishing, farming and bus driving. Given the distinct competitive advantage in terms of natural beauty and the Irish language itself, coupled with the high number of private homes catering to students, it is surprising that the tourism sector remains so under-developed. The vast majority of the Gaeltacht festivals, for example, are run by small ad-hoc voluntary committees, despite State support. This tradition of a lack of specialisation continues to this day, and may well be a deterrent to enterprise development, which requires a particular focus and single-mindedness. One could argue that perhaps some of the more dynamic entrepreneurial people who channelled their energies into community or not-for-profit enterprises might have channelled those energies into for-profit enterprises had there not been so many socio-cultural and economic problems.

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