

# **The Workers Party response to HM Treasury document:**

## **“Rebalancing the Northern Ireland Economy”**

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### Introduction

In late March 2011 the UK Treasury published a consultation document on rebalancing the Northern Ireland Economy. What follows is the Workers Party response to that document and its implications. It is our contention that the economy in Northern Ireland and throughout these islands needs to be rebalanced in favour of the two-thirds who have been left behind as the rich have become richer over the past four decades.

The central proposal in the Treasury document on ‘rebalancing’ the Northern economy is that of devolving corporation tax rate varying powers to Northern Ireland. As well as asking for submissions in relation to corporation tax the Treasury document asks for opinions on two other areas, namely whether “there is a need to rebalance the Northern Ireland economy by strengthening the private sector over the longer term and to increase economic growth and promote significant new investment” and “[w]here there is most scope for increasing productivity, reducing labour market inactivity and increasing growth’ (1.16)

In what follows the Workers Party points to another way in which the economy in Northern Ireland could successfully managed to the benefit of the majority, other than decimating the public sector and attempting to “reform” out of existence what remains of the welfare state. The Treasury consultation document asks whether “...welfare reform has the potential to reduce economic inactivity in Northern Ireland and increase economic growth”. We firmly believe that welfare reform of the kind envisaged by the Con-Dem coalition will be disastrous for economic growth and will further lock hundreds of thousands of people here into poverty.

### **Would a lower level of corporation tax be good for Northern Ireland?**

It is the contention of the Workers Party that the risks involved in the introduction of a reduced rate of corporation tax in Northern Ireland are enormous and that even if ‘successful’ the benefits will mostly be felt by a tiny group of local investors, accountants and tax lawyers and a larger group of foreign corporations and wealthy individuals, many of whom will be tax avoiders rather than wealth creators. The risks, on the other hand, will be felt by workers in Northern Ireland, who will have to face the consequences of a substantial reduction in the block grant and may see no meaningful return for this sacrifice. In the short-term, as Mike

Tomlinson and Grace Kelly note, “a significant resource would be removed from the public sector to the benefit of shareholders in the few public companies registered in N. Ireland that pay the full rate of Corporation Tax. N. Ireland’s economy can ill-afford to lose this resource and the 8,000 jobs that are likely to be lost initially”. (‘Response to Northern Ireland’s Draft Budget’, January 2011)  
If initial losses in the Westminster block grant of between £285 million and £300 million are not offset by an increased tax take, job losses in the public sector will pay for a tax break for wealthy corporations.

If the reduction goes ahead, Northern Ireland will become a de facto tax haven. Before we even reach that stage, problems relating to the implementation of a lower corporation tax regime within one part of the United Kingdom may fall foul of European law.

The Workers Party believes that in the current global environment reducing corporation tax will not lead to new investment and new jobs. There is little evidence that the headline tax rate is at the top of the list of reasons why multinational corporations choose to locate in an area. In their January 2011 research document ‘Game Changer or Game Over?’ Esmond Bernie and Martin Fleetwood of Price Waterhouse Cooper, use survey evidence to show that the level of corporate taxation and labour costs appear less important than other non-tax factors in the decision of multinational corporations to set up in a foreign location. According to Bernie and Fleetwood, ‘[i]t seems the ease of doing business, including language and cultural issues, communications, skills, an entrepreneurial culture and market proximity are the main drivers.’ (page14) In rebutting the argument that low rate of corporation tax gave rise to the erstwhile Celtic Tiger economy, they note that:

*The Republic has had, in effect, relatively low tax on company profits (especially in the manufacturing and some other trading sectors) from as early as 1958. The fact that the Celtic Tiger did not really begin to roar until the late 1980s, three decades later, suggests either that the tax effect was a very slow burn or that Corporation Tax was mixed in with a range of other factors which (gradually) created the preconditions for sustained and rapid growth. (Page 19)*

Reducing Corporation Tax in Northern Ireland would certainly lead to more companies paying less tax. Almost immediately the loss of up to £300 million from the block grant would mean even greater cuts in public services and jobs than the outgoing Stormont Executive has already approved. Over 40,000 workers have lost their jobs here since July 2008 because of the recession which has not yet passed. One third of the construction workforce has gone in the last three years as a major part of that. Another 30,000 workers and associated public services are expected to go in the public sector here because of the Stormont budget cuts already underway for 2011/15 across all Government Departments. Given that the reduction of corporation tax is so high-risk, we believe the Stormont Coalition is negligent in pinning all its hopes on this dangerous strategy.

At the outset we note that, although all the parties of the Stormont Coalition along with vocal business lobby groups and the Con-Dem coalition would welcome a reduced rate of corporation tax, opposition to the reduction of the corporation tax rate comes from across the ideological divide. For example, in his 2007 Review of tax policy in Northern Ireland Sir David Varney argued against the suitability of lowering corporation tax in Northern Ireland partly on the grounds that the estimated £300 million which would be lost to the block grant “would be better directed towards improvements in the region’s business environment” (p.11).

More recently the former Ulster Unionist MEP in the European Right bloc and current Press ‘baron’, John Taylor (Lord Kilclooney) told the House of Lords that “95% of the population of Northern Ireland who are not company directors would be worse off” if the proposed reduction is implemented (Belfast Telegraph, April 29th). Taylor believes that those who say that a low rate of tax will create 90,000 new jobs, over 20 years are being unrealistic and says that politicians “should be on the side of the ordinary people – the majority in Northern Ireland – and expose the risk of a lower corporation tax”.

In this instance the Workers Party finds itself in agreement with Mr Taylor and also with, ‘Game Changer or Game Over’, which “could not find any clear evidence of a simple correlation between low Corporation tax per se and high levels of FDI” [foreign direct investment] which the tax cutters expect (p.6, their emphasis). These opinions represent fears among elements in the business community that there is not enough evidence to justify the risks which lowering the rate of corporation tax in Northern Ireland entail.

Arguing from a different perspective, the Workers Party believes that workers in this community will lose out if Northern Ireland becomes a low tax regime within the UK. While the Treasury document is careful to note, “estimating long term job creation with accuracy is extremely difficult” (4.28), others are not so cautious. The Northern Ireland Affairs Committee on Corporation Tax in Northern Ireland heard various estimates as to how many jobs would be created if Northern Ireland were to move to a 12.5% rate, from 80-90,000 over 20 years from the to 64,000 new jobs over 20 years from Jeremy Fitch of InvestNI. The CBI using a formula that “a 1% reduction in corporation tax brings a 1% increase in employment” (Brannigan) claims that 45,000 new jobs will be created.

These figures have been generated on analyses based on the assumption that there will be a return to rapid global growth. However, the reality is that US foreign direct investment has dried up; there is a strike of capital on a global scale as trillions of dollars remain unavailable to potential investors. According to estimates from the United Nations Conference on Trade and Development (UNCTAD) global inflows of foreign direct investment (FDI) saw a marginal rise of 1%, from \$1,114 billion in 2009 to almost \$1,122 billion in 2010. Significantly, for the first time, developing and transition economies received more than half of global FDI flows. (Third World Network Info Service on Finance and Development, 22 January 2011). The Economist Intelligence Unit estimates that FDI in 2011 will be equal to 2% of projected world GDP, well below the 3% average in 2005-08. (‘World

economy: Only a weak recovery in global FDI', January 6th, 2011). Moreover, as Colin Pidgeon notes, the evidence suggests that in future Western Europe will generally be less attractive than China, India and Central Eastern Europe as a location for FDI. In 2009, Europe attracted 3,303 FDI projects, down 11% from 2008. In addition, the nature of investments has changed. In 2007 and 2008 while the number of FDI projects remained stable, the number of jobs that they created significantly reduced. On average, a new FDI project in Europe during 2006 created 101 jobs while in 2009 the average was only 69. ('Devolution of Corporation Tax', pages 36-38)

Despite the optimistic predictions of the CBI, under questioning from the Northern Ireland Affairs Committee CBI NI chair Terence Brannigan was unable to make any promises on jobs:

*The evidence says that we will develop significant jobs. Guarantee? No. There is no guarantee and it would be totally misleading of me to sit here and say that I could guarantee you. I couldn't guarantee you anything.*

Given the global economic uncertainties, perhaps Mr Brannigan is wise to give no guarantees. The question remains, should the future well-being of the Northern Ireland economy be based on a strategy which cannot guarantee us anything?

As noted earlier, we believe that a reduced rate of taxation will transform Northern Ireland into a de facto tax haven. According to journalist and author of *Treasure Islands*, Nicholas Shaxon, "[t]here is a two-fold intention here. The first is to reinforce the savage attacks on the corporation tax that is being undertaken by the current UK government. ... The second is the desire by interests in the City of London to increase the reach of the British web of tax havens around the world, feeding business to the City". The Workers Party believes that this will be disastrous for local workers. Moreover, as an internationalist, anti-imperialist Party we are opposed to the global system of tax avoidance and evasion, which drains billions of pounds from developing economies. We agree with Dr Sheila Killian that, "[s]ince business is now international, it is important that taxes are designed not only with a domestic agenda in mind, but with a view to their consequences internationally, particularly for vulnerable economies in the global South". (Killian, S, 2011, "Driving the Getaway Car? Ireland, Tax and Development")

David McNair, senior economic justice adviser at Christian Aid has explained the mechanism by which low tax territories drain money from developing countries: "If a company is coming in mining diamonds or minerals or has struck oil it can use clever accounting to minimise profits in the developing country and then declare the profits in the tax haven where the rate is lower. Corruption is a problem in many developing countries. Evidence shows that when a government is dependent on its citizens for revenue it tends to be more accountable to its citizens. But if you are introducing a low tax rate that increases incentives on companies to transfer their profits to your country this has the potential to undermine tax revenues in countries where the poverty-stricken desperately need schools, hospitals and

services.” (Newsletter, Monday 16 May 2011) To put it simply, if Northern Ireland becomes a low-tax haven, multinational companies which operate here and also in a third world country may find ways to pay tax on goods, services and intellectual property in NI rather than in the developing country with higher taxes. As a result, poor countries will lose out, investors will gain and few or no jobs will be created in Northern Ireland.

As well as being a high-risk strategy in terms of outcomes, there will be legal and administrative problems with implementing a change in tax varying powers in Northern Ireland. According to tax expert [Richard Murphy](#) to meet EU requirements there would be a need for a separate tax authority for Northern Ireland and a parliament with full taxing powers here. Moreover the EU would need to be convinced this was not done just to change tax rates. Moreover, companies based in GB which operate in NI would have to operate transfer pricing regulations for all GB goods going into and out of NI where there was common ownership on both sides. Indeed, due to these legal issues related to transfer pricing, businesses located in GB may find it so difficult to do business in Northern Ireland that it is not worth their while operating here. Richard Murphy notes that under transfer pricing rules:

*No supermarket would ever again be able to transfer baked beans from its warehouse in Scotland to its supermarkets in Northern Ireland without having established a procedure to set an arm's length price for the transaction, which is no straightforward matter. The resulting cost for UK business would be considerable. ('Pot of Gold or Fool's Gold: Lowering Northern Ireland's Corporation Tax', 2010)*

Moreover, EU law dictates that Stormont must bear the full consequences of varying the corporation tax rate with no intervention or financial aid from central government. As noted earlier, the current subvention from Westminster would subsequently fall, to the disadvantage of workers in Northern Ireland.

In research document produced for the Northern Ireland Assembly, Colin Pidgeon raises further issues of concern. With regard to the evidence in favour of a reduction, he notes a large difference between the Department of Finance and Personnel and the UK Treasury regarding the cost to the block grant of a devolved rate of corporation tax at 12.5%.

*If the figure suggested by DFP is accurate, the direct cost to the Northern Ireland block could be in excess of £400m by year five. The two estimates presented by the Treasury puts it in the range of £225-270m by that year. ('Devolution of Corporation Tax', page 3)*

Although it is customary for supporters of a business venture to 'talk up' its prospects of success, the differences between these projections lead the Workers Party to ask if some interested parties aren't simply plucking impressive-sounding

figures out of the air in order to suit their agenda. Pidgeon also notes that corporation tax revenue is volatile compared to other sources of tax income. (Devolution of Corporation Tax', section 4.4) He argues that at present the Northern Ireland Executive does not have sufficient borrowing powers to deal with any reduction in corporation tax which may arise due to volatility. He quotes David Gauke MP, the UK Exchequer Secretary who when asked in evidence to the Northern Ireland Affairs Committee in the House of Commons if the Treasury could compensate Northern Ireland for shortfalls in corporation tax receipts – particularly given the Azores judgment – stated:

*...if corporation tax receipts were less than expected ... then that is something that the Northern Ireland Executive will have to deal with, just as if corporation tax receipts turn out to be greater than anticipated, then clearly that is additional money for the Northern Ireland Executive to use as it sees fit and would not be coming back to the Treasury. (Quoted in 'Devolution of Corporation Tax', page 42)*

It seems that borrowing in lean times is not going to be an option for the Stormont Coalition. We suspect that in such circumstances what remains of the public sector will be punished further to make up for shortfalls.

Is “there is a need to rebalance the Northern Ireland economy by strengthening the private sector over the longer term and to increase economic growth and promote significant new investment” and “[w]here ... is most scope for increasing productivity, reducing labour market inactivity and increasing growth”?

Working people in these islands are being forced to pay for a situation not of their making. A crisis in the financial sector has been recast by the Government and most of the media as a crisis caused by overspending on the part of the previous administration and the working class is targeted while the real culprits are back to the days of bonanza windfalls.

According to the Treasury consultation document, the aims of the Con-Dem 2011 budget include:

*support for investment across the regions by setting up 21 new Enterprise Zones with superfast broadband, lower taxes and low levels of regulation and planning controls, to be developed with the new Local Enterprise Partnerships, and with all business rates receipts to be held locally. In Northern Ireland provision has been made available to enable the Northern Ireland Executive to introduce a similar policy if it wishes. (3.7.3)*

The enterprise zone concept was introduced in the [United Kingdom](#) during the mid-1970s as a way to revive Britain's declining industrial cities. Enterprise Zones were marked by low or no taxes and low regulatory barriers. In the UK, eleven such enterprise zones were established in 1980 and a further thirteen in 1982. The

concept was introduced in the United States and the idea has caught on. However, academics and legislators in the USA are increasingly of the opinion that Enterprise Zones are a failed economic model.

In February 2011 Gerry Brown, Governor of California, announced his intention eliminate the Enterprise Zones in the state (LA Times, February 7th 2011). His announcement followed several academic studies which show that Enterprise Zones are not good value for money. Specifically, an analysis of the most up-to-date data on the Enterprise Zone Program in California released in February 2011 by the California Budget Project shows that big corporations benefit most from the enterprise zones, but although costs and giveaways have soared, jobs don't necessarily follow. The analysis shows that the cost of enterprise zone tax credits grew to \$465.5 million in 2008, from \$675,000 in 1986. The average cost per zone increased to \$11.1 million in 2008, from \$48,000 in 1986. In addition, 70% of tax breaks related to enterprise zones are claimed by corporations with assets of \$1 billion or more. (California Budget Project, 'California's Enterprise Zone Program: No bang for the Buck'). The data echoes a 2009 report by the Public Policy Institute of California, the main finding of which "is that, on average, enterprise zones have no effect on business creation or job growth". (Public Policy Institute, 'Do California's Enterprise Zones Create Jobs?' Summary, page 1) Similarly research by the UK Work Foundation found that jobs are moved into Enterprise Zones from other parts of the UK to avail of giveaways but very few new jobs are created:

*Most of the jobs created in Enterprise Zones are displaced from other areas. Evidence from previous Enterprise Zones suggest that up to 80% of the jobs they are taken from other places. (The Work Foundation, 'Do Enterprise Zones Work?', February 2011. Their emphasis)*

The Workers Party is opposed to Northern Ireland becoming an Enterprise Zone because the evidence shows that it is costly, it fails to create jobs and more tax-payers money is siphoned off by huge corporations.

The Workers Party rejects out of hand the idea that economies must be 'rebalanced' in favour of the private sector. In its written evidence to the Parliamentary Committee on Corporation tax, the government claims that:

*"A large public sector can crowd out the private sector, for example through distorting the labour market and high levels of public sector asset holding. Northern Ireland has high levels of public sector wages compared to the private sector."*

The Workers Party strenuously denies that public sector wages necessarily 'distort' the labour market or that the public sector crowds out the private sector. In fact, the evidence shows that public sector spending stimulates the private economy. In February 2010 the Committee for Finance and Personnel at Stormont

issued a report which outlined the scale of public procurement and its importance to the NI economy. The Stormont Executive spends £3 billion overall on procurement and nearly 25 per cent of its total budget (£2.4 billion) on buying services from the private sector.

According to the report:

*“Government contracts include catering, transport, banking, construction, printing, telecoms, ICT (hardware), travel, vehicle maintenance, advertising, stationery, furniture/office equipment supply, security, messenger services, economic/research consultancy, staff recruitment” and other services... In terms of the all-island context, the combined procurement market is worth around €19 billion (£15.2 billion).”*

In March 2011 Finance Minister, Sammy Wilson, outlined the continued importance of procurement to the Stormont Coalition:

*“Public Procurement has a key part to play as a means of delivering the Executive’s key policy objectives. ...Despite budget reductions public procurement will continue to represent a formidable opportunity to generate benefit for the taxpayer and for the local economy.”*

Trade unionist John O’Farrell notes that “[a]cross the UK, the public sector spends more on the private sector (£175 billion) than it does on its ‘pampered’ workforce. In short, if the private sector has a bad dose of the ‘flu at present, enormous cuts in public spending will give it full-blown pneumonia.” (AgendaNI magazine, September 2010) On top of this, public sector workers put much more money into the economy than do unemployed workers. There is no evidence that the private sector will rush to employ workers laid off through government cuts.

Government is a significant purchaser of goods and services from the private sector via procurement. As a result, austerity will have direct negative knock-on effects in the private sector in Northern Ireland. However, cuts in government spending also depress private sector activity indirectly because the output of all sectors of the economy requires the inputs of other sectors. Government output relies on the inputs of the private sector. In other words ‘one person’s spending is another’s income’ – and this interconnection can lead to a much bigger effect on output and employment than the initial input would indicate.

[Input-Output](#) tables from the ONS which show the relative impact of government activities on other sectors indicate that £1bn of government output in education, healthcare and social work requires an input of £6 million in agriculture, £5 million in mining, £120 million in manufacturing and £486 million in inputs from private firms operating in the same sector. The total demand of those other outputs and government output combined is £1.854bn, and 1.854 is the multiplier attached to



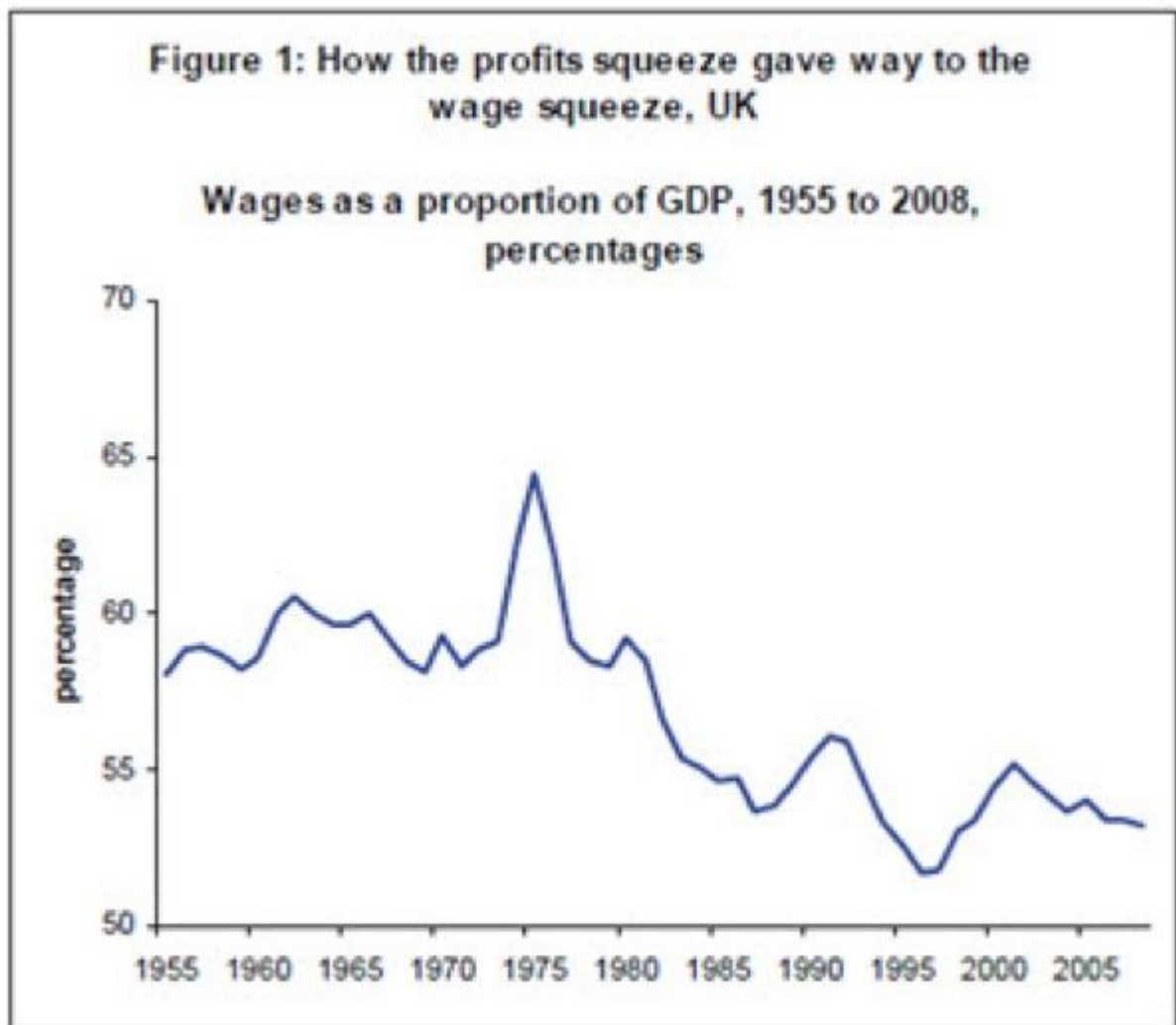
this sector.(Burke, 2010) Writing in June 2010 economist Michael Burke estimated that George Osborne's proposed cuts to government spending of £145bn would reduce demand by £260bn, over 18% of GDP. According to Burke:

*Cutting public sector pay and jobs, cutting services as well as disability and housing benefits, while hiking VAT are a direct assault on the incomes and living standards of those on average incomes, workers and the poor. Doing this simultaneously with cutting the progressive Council tax, reducing employer's National Insurance, raising the threshold to £5 million for Capital Gains Tax and reducing the corporate tax rate towards 24% demonstrates who are the beneficiaries – businesses, high-earners and the wealthy. ... This series of tax cuts also belies the idea that the paramount objective is to reduce the deficit. ... This is a reordering of society and is neither intended to nor is likely to achieve deficit-reduction. (Socialist Economic Bulletin website, June 10th2010)*

As Paul Krugman notes, "The real reason [behind the UK austerity agenda] has a lot to do with ideology: the Tories are using the deficit as an excuse to downsize the welfare state. But the official rationale is that there is no alternative," (New York Times, October 21st 2010) The market in Northern Ireland and the rest of the UK has not been crowded out by government – the market is unable to sell sufficient products and services. American marxist John bellamy Foster notes that, "[a] consequence of the slow growth endemic to the developed economies is that the giant corporations that dominate today's economic world are compelled to search for new markets for investment, outside their traditional fields of operation, leading to the takeover and privatization of key elements of the state economy. The political counterpart of monopoly-finance capital is therefore neoliberal restructuring, in which the state is increasingly cannibalized by private interests." ('Education and the Structural Crisis of Capital: The U.S. Case', Monthly Review, July/August 2011) As a result, a key aim of the Con-Dem government is to [hand over the public sector](#) to the market. Michael Burke further explains:

*The policy of the Thatcherites, old and new, is to 'crowd in' private sector activity. Access to service is determined by profit-maximisation and is then a function of income or wealth and consequently both the scope of services declines and their prices rise. This is illustrated by the fact that the NHS is a universal system at a cost of 8.3% of GDP, whereas 45million Americans do not have health care coverage and yet it consumes 16.3% of GDP. But for the Thatcherites an important goal for themselves would be achieved. Profit can be extracted from an area which had previously been in the public sector.*

A generation-long wage squeeze.



*Source:* Office for National Statistics

(From 'Britain's Broken Economy – and how to mend it', by the New Political Economy Network, 2010, page 22)

The UK is one of the most unequal among the world's rich economies. A generation-long squeeze on people's wages has been behind this development. The share of output going to wage earners reached 65 per cent in 1975, but has been toppling ever since reaching only 53 per cent by 2007.

*Wages for most of the population have been falling behind the growth in productivity, and at an accelerating rate ... . Between 1980 and 2007, real wages rose by an annual average of 1.6 per cent, while economic capacity grew by 1.9*

*per cent. But from 2000, productivity has been rising at almost twice the rate of earnings. ('Britain's Broken Economy – and how to mend it' by the New Political Economy Network, 2010, page 23)*

These headline figures hide differences between rich wage earners and working class wage earners, who constitute the majority of the workforce. Rises in real earnings have concentrated at the top and wages have risen much faster for high-earners than for median- and low-earners.

*As a result, the brunt of the falling wage share has been borne almost by lower paid employees, with the bottom two-thirds of earners facing a shrinking share of a diminishing pool. ('Britain's Broken Economy', page 24)*

It is working people, who represent the majority and who have faced an unprecedented wage squeeze since the mid-70s. The Workers Party demands that the economy be rebalanced in favour of the bottom two thirds.

## Alternatives

The idea that there are no alternatives to Con-Dem austerity is a self-serving myth which suits those in Stormont who are eager to cut back the public sector and those who wish to hold on to power at all costs and don't have the courage to step into opposition. There are, in fact, many alternatives to these potentially disastrous policy recommendations. For example, the Campaign Against Climate Change and four national trade unions are promoting a straightforward, [effective campaign](#) to create one million green climate jobs. As the alliance [says](#):

*To find solutions to the climate crisis and the recession, we need more public spending, the opposite of current government policy. We have people who need jobs and work that needs to be done. A million climate jobs in the UK will not solve all the economy's problems. But it will take a million human beings off the dole and put them to work saving the future.*

*Their plan is careful to distinguish between climate jobs (which reduce greenhouse gases) and green jobs (which can mean almost anything). More specifically it calls for the creation of a million, new public sector jobs and a National Climate Service to employ them, highlights the kind of work that should be done, and presents a plan for financing it that does not rely on increasing the federal deficit. (climate-change-jobs.org)*

In the words of the alliance:

*We mean a million new jobs, not ones people are already doing. We don't want to add up existing and new jobs and say that now we have a million climate jobs. We don't mean jobs with a climate label, or a climate aspect. We don't want old jobs with new names, or ones with 'sustainable' inserted into the job title. And we don't mean 'carbon finance' jobs.*

*We mean new jobs now. We want the government to start employing 83,300 workers a month in climate jobs. Then, within twelve months, we will have created a million jobs.*

*We mean government jobs. This is a new idea. Up to now government policy under both Labour and Conservatives has been to use subsidies and tax breaks to encourage private industry to invest in renewable energy. The traditional approach is to encourage the market. That's much too slow and inefficient. We want something more like the way the government used to run the National Health Service. In effect, the government sets up a National Climate Service (NCS) and employs staff to do the work that needs to be done. Government policy has also been to give people grants and loans to insulate and refit their houses. Instead, we want to send teams of construction workers to renovate everyone's home, street by street. And we want the government to construct wind farms, build railways, and put buses on the streets.*

*Direct government employment means secure, flexible, permanent jobs. Workers with new climate jobs won't always keep doing the same thing, but they will be retrained as new kinds of work are needed. (Campaign Against Climate Change: 'One Million Climate Jobs', October 2010)*

If this scheme were rolled out equally across the UK, then it would create nearly 30,000 jobs in one year in Northern Ireland. This is the kind of imaginative, flexible job creation scheme which is timely and necessary. The attempt to turn Northern Ireland into a low tax haven will create few jobs while making a few already rich companies and individuals even richer (until the next economic crisis). If Northern Ireland signs up to the Enterprise Zone scheme, no real jobs will be created and the costly scheme will only benefit super-rich corporations. The attempt to destroy the welfare state will 'crowd in' the private sector while grinding more workers into poverty, severely contracting the economy and further diminishing the public space as the scope of services declines and their prices rise. Only a state-directed, planned and flexible industrial policy will rejuvenate the economy in the in Northern Ireland and rebalance it in favour of those who have been losing out for more than a generation.