

To whom it may concern,

I believe the most significant risk to the country is a high rent induced recession. Essentially, as the economy has recovered, property prices have rebounded. In principle this may seem like a good thing, but the net effect is income being diverted from workers and companies into the hands of landowners. The current rebound was enabled by the hitherto low rents of the recession, as these low business costs (not only in their own rent, but that of their employees and customers) enabled greater spending and created a low risk environment for experimentation.

Essentially high rents are diverting increasingly large fractions of our economic surplus away from productive forces (labour and capital) towards unproductive forces (landlords). In the medium term, this will rob our businesses of finances to expand, it will also divert investments from dynamic assets (expanding and new businesses) to static ones (housing and land). It will also raise the barriers to entry for new business, preventing innovation.

Ireland's tax and planning system exacerbates this by having minimal taxes on existing property, while putting excessively large levies on building new property. Only between a combination of taxation and new urban and infrastructure construction can these rents be decreased creating a fertile environment for further growth, economic and cultural in our society.

I'm happy to further elaborate on these suggestions if requested.