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## N.Y. Times' Paul Krugman says Ireland is the poster boy for zombie economics



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Ireland is the poster boy for Zombie economics, says [Paul Krugman](#) [The New York Times](#) columnist and Nobel Prize winner in economics.

Zombie economics he says is "the strange triumph of failed ideas. Free-market fundamentalists have been wrong about everything — yet they now dominate the political scene more thoroughly than ever."

As examples he quotes current British Tory chancellor of the Exchequer "[Ireland](#)," declared [George Osborne](#) in 2006, "stands as a shining example of the art of the possible in long-term economic policymaking."

"Whoops. But Mr. Osborne is now [Britain](#)'s top economic official." Krugman says

And he says Britain is now making the Irish mistake of cutting too severely. " In his new position, Osborne is ' " setting out to emulate the austerity policies Ireland implemented after its bubble burst." he notes

Krugman claims that is a dreadful mistake. " After all, conservatives on both sides of the Atlantic spent much of the past year hailing Irish austerity as a resounding success. "The Irish approach worked in 1987-89 — and it's working now," declared Alan Reynolds of the Cato Institute last June.

"Whoops, again." says Krugman

Ireland is one example of the rush to "empower bad ideas" Krugman states.

"But it's one thing to make deals to advance your goals; it's another to open the door to zombie ideas. When you do that, the zombies end up eating your brain — and quite possibly your economy too."

Frequently Krugman has made Ireland the whipping boy for the European crash and has stated that they are making all the wrong moves to get out of recession.

He is certainly making some interesting points and I have a sneaking suspicion he is correct.

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