

## **The Digital Village Hububalu.**

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It used to be the Hub, now it is a Digital Village. At least the name reflects the age of transparency in public finance – after all the promises, the chances of Media Lab Europe surviving without continuous state and EU subsidies are about as remote as those of Irish agricultural sector.

Incidentally, the hunger of this ‘flagship’ of Irish Research for public subsidy goes beyond that of any agribusiness or other subsidy-seeker in the state. The Abbey got about €33,000 per employee, the average farmer gets around €9720, while ‘starved’ for funds to shore up their inefficiencies, industrial sectors get around €1,900 per job saved. Over 3 years, Media Lab Europe has wasted €35 million – a whooping ca €160,000 per each of its 70 employees per annum, and is now asking for €25 million more.

If granted, this subsidy will bring Media Lab Europe’s budget, inclusive of state benefits-in-kind, to over 20% of the annual state grants budget of Trinity College. Yet, Trinity employs and educates over 256 times more people than the Lab. The amount of money the taxpayer spends on Lab Hububalu would buy the country 3 world class PhDs, employable in universities, per each employee of the Lab. For example, in 2003 Trinity achieved pay savings of €5 million by freezing 86 posts, reducing student support services, and cutting back on small group tutorials, practical laboratory work and part-time teaching staff. Similar problems were experienced throughout the Irish third level sector. All along, Media Lab Europe continued to enjoy unprecedented state support, paying its first chief executive, Rudy Burger, to the tune of €400,000 per annum. According to the records, this put him amongst 35 highest salaried CEOs in the country.

These figures do not account for the state funding that Media Lab Europe obtained through the ‘backdoor’ arrangements with semi-state and foreign publicly-owned companies. Nor do these subsidies reflect the EU government and research funds that vanished in the bottomless money-pit adjoining the Guinness gates.

Needless to say, Irish and the EU taxpayers saw nothing, and I mean *absolutely* nothing in return. Patents? Judging by the information available from Media Lab Europe itself, none. Students trained? Nope. Scientific papers published? About 8 in 2004, yet it is difficult to tell if they represent research done within the Lab or prior to the scientists joining the MLE. When was the last time anyone heard of their ‘research’ team breakthroughs? Never – the news reports from MLE focus on the efforts to secure funding, and ‘scientific’ events like ‘Media Lab Europe, The Ark and Tenple (*sic*) Bar Properties Host Interactive Debate on Smoking and Its Effects’ (<http://www.medialabeurope.org/news/>). Impetus to the economic development in the Liberties area? You gotta be kidding!

So what do we get for our money? Media Lab Europe’s only claim to fame this year is the Honorary Mentions at the 2004 Prix Ars Electronica in Austria for their ‘Iso-phone’ and ‘BumpList’ innovations. Quoting MLE, “The Iso-phone is a service that can be described... as a meeting of the telephone and the floatation tank”. The BumpList “is a mailing list aiming to re-examine the culture and rules of online email lists”. Presumably, if more taxpayer funding is supplied next year, we shall eagerly await the arrival of an e-mail solution for the floatation tank code-named Iso-Bump.

But Media Lab Europe did earn itself a nickname ‘DCP-with-PhD’ – evoking the failure of Digital Channel Partners – an Irish IT firm not affiliated with Media Lab Europe - but which resembled it in more ways than one and one of whose executives later moved into a senior management role at Media Lab Europe.

Touted to become an anchor for the rejuvenation of Dublin’s inner city, Media Lab Europe failed to attract any significant self-sufficient viable businesses. Instead, by placing tremendous amounts of real estate into Government hands, the Digital Hub/Village/whatnot reduced supply of potential development sites in the area. This drove prices up, crowding homebuyers, shop owners and developers from the last remaining city-centre adjacent location of development land. As the result, the Digital Hub is rapidly becoming a Digital Slum of Dublin.

Is there a sensible solution out of this mess? Yes, the model for it can be found in Southern California. In the mid 1990s, Occidental Petroleum Corporation (OPC), headquartered in Westwood cut itself loose from the art museum and research centre that was opened using the mixture of funding largely based on the bequest of the OPC founder, Armand Hammer, shored up by the OPC. The Armand Hammer Art Museum was taken over by the neighbouring University of California, Los Angeles and converted into the arts research and exhibition centre within the University. The white elephant of corporate vanity was thus transformed into a cultural powerhouse of Southern California.

This should be the model for dealing with the Media Lab Europe – cut all funds flows from the state to the laboratory and force its transfer to a reputable, internationally recognised University – either Trinity or UCD. In the process, sell off the state-owned building it occupies and allow the new managing institution to make any staff changes required. From that moment onwards, any state funding for research activities by the Lab should be based on the same criteria that apply to the third level institutions in this country.

Media Lab Europe's only real assets, at this point in time, have nothing to do with its research portfolio. Instead, they are MIT-affiliation in the name and the yet to materialise programme for offering MIT-accredited research degrees. In fact, its current record in research acts as a potential threat to the value of these assets as MIT is likely to demand some scientific output from any programme bearing its stamp of accreditation at some time in the future. Neither the past research performance of the Lab, nor its current scientific staff, majority of which, have no academic credentials of any appreciable quality (less than a third of the MLE listed researchers hold a PhD) offer hope that the MIT brand will stay in the long run.

Before these assets depreciate to the point of MIT withdrawal from the project, the Media Lab Europe should be either transferred to a University or simply sold to the private sector. And in the future, let's keep our political leaders out of the game of directly sponsoring science. After all, it was their enthusiasm for loud projects that made a Bertie Bowl out of the Media Lab Europe and left the taxpayer holding the bill.