

A monthly political journal. *Editorial:* 1 Sutton Villas, Lower Dargle Road, Bray, Co. Wicklow  
philip.aubane@hotmail.com <https://www.atholbooks-sales.org>

## Contents:

**Election Statement** 1

### Background:

1. *Melting Down Ireland? - The state, the parties and the global crisis* 5
2. *'Europe': Sacrificing the EU to secure the Euro* 12
3. *Ideology, the media and the State* 15

---

# Election Statement

The removal of Fianna Fáil from government is declared to be a moral imperative even though the actual steps taken by the Government since September 2008 in dealing with the financial crisis have not been seriously disputed. Labour makes much of its opposition at the time to the Guarantee. But it never opposed it on principle, merely quibbling over the alleged excessive powers granted to the Minister for Finance under it. In power it will not abolish it.

It is stated that "crony capitalism" and immoral ways are what need replacing by a "New Republic". The "New Republic" is characterised as a political construction which overcomes and substantially replaces the mistaken development ("*failed state*") of the last 80 years.

But the "New Republic" is a mirage. Behind it is the West British project defeated in 1918 and marginalised for decades, re-asserting itself at a moment of existential crisis of the Republican state.

The removal of Fianna Fáil from Government and its destruction as a force in Irish political life have been the political aims of *The Irish Times* since the early 1980s. Opposition party forces, representing partial elements of society, failed to produce opposition politics outside the framework of the moral crusade led by *The Irish Times*.

The replacing of Fianna Fáil in government will thus primarily be a moral act. A State led by forces operating on such a fragile premise is likely to become incoherent and could degenerate into an Italian-style political instability, functioning without a state in the absence of a political party of state.

A crisis of global finance capitalism played havoc with an economy previously lauded precisely for being the most open and globalised in the world. In 2002 and 2007 the party/ies now poised to form the next Government on the basis of representing a superior morality urged policies – such as the removal of stamp duty – to perpetuate the unsustainable property bubble. They were supported in this by the Fourth Estate.

Fianna Fáil emerged in 1926 from the defeated forces of the Republic which had had the support of the vast majority of the electorate in 1918. It resumed the struggle to create that Republic by constitutional means within an ideology of anti-Imperialism. Despite a legacy of famine, national debt from the land purchase scheme, industrial underdevelopment and some of the worst slums in Europe, a successful State and economy were built, the debilitating elements of the Treaty “settlement” reversed and national sovereignty asserted during Britain’s second World War of the century. Through all of these developments, and the preceding movement for independence, *The Irish Times* formed the backbone of the resistance to them. We do not now accept the latest thesis of *The Irish Times* on the one hand, and Gerry Adams on the other, that the Irish Republic has been a failed State.

In our view the crisis within Fianna Fáil will not usher in a new dawn or be conducive to social development. On the contrary, it is being accompanied by the re-emergence of the most reactionary tendencies in Irish Life. Those tendencies precede independence and are best exemplified by the Redmondism of *Independent Newspapers* and a reversion to an essentially pro-British ideology on the part of *The Irish Times*.

But the primary responsibility for its own crisis lies with Fianna Fáil itself:

*"The fault, dear Brutus, is not in our stars,  
But in ourselves, that we are underlings."*

The source of Fianna Fáil’s decline lies in that party’s moral collapse following the Northern crisis of 1969. Instead of purposeful activity offering Northern Catholics coherent alternatives, the Lynch Government abandoned them to fashion their own elemental response to the onslaught, purging in the process those in its own ranks and in the Army of the State who had obeyed its will prior to its collapse. The abandonment by Fianna Fáil of *The Irish Press* as a party organ - which had been its medium of thought in a hostile media environment since 1932 – removed the one means for thinking its way through the crisis. The disorientation of the party caused by the “Arms Conspiracy Trial” of 1970 inaugurated a period of political instability and incoherence lasting over a decade. The recovery of Fianna Fáil under Haughey in the 1980s relied on a residual resilience, and was a partial one only. Purposeful activity by the Haughey governments in relation to the State, including in Europe, never overcame the incessant internal resistance, which partially hived itself off in the mid-1980s as the Progressive Democrats.

It is not conceivable that political parties who, as a half-party and a third-of-a-party, have traditionally formed occasional governments to give the most successful party of the State a rest, can form a durable alternative political culture capable of carrying the State through a world economic crisis on a basis other than a diminution of the State. There is no law of “political science” that dictates that when a party of State is removed from the scene, other existing forces will rise to the occasion and fill the vacuum. Italy following the destruction of its Christian Democracy provides an abject lesson.

The substantial political economy of Ireland for the twenty years from the 1980s to the 2000s was shaped by social partnership. This period saw the population grow from 3m to 4.5m; GDP grow by 130%; the workforce grow from 0.9m to 2.2m at its height; a substantial welfare state created; and forms of governance understood

as an adaptation of the corporatist European Social Model to Ireland, infusing every sector and institution of society. The non-FF forces which may now provide a stable transition government (or otherwise) are viscerally committed to the ending of these corporatist arrangements.

The forces incited by the “New Republic” utopianism of *The Irish Times* offer a moral solution to our crisis. Foremost among these has been the Labour Party. In 2008 Eamon Gilmore declared that the Labour Party was no longer a party of trade unionism (long a myth in itself) and instead had become a party of “Change”. Following a period of unprecedented popularity, the party concluded that there was no need for a programme. From a commanding position in the polls six months ago, the fortunes of Labour have declined dramatically and relentlessly since.

Once Enda Kenny defeated the atomised urban rebels challenging his leadership within Fine Gael, and re-asserted his authority among the party’s rural base, the marginalisation of Labour in the election contest began.

In the full flush of its moral stance, at the start of the campaign Labour ruled out working with either Sinn Féin or Fianna Fáil, and hence any realistic prospect of Gilmore becoming Taoiseach. It made a brief recovery with its claim that it could substantially renegotiate the ECB/IMF deal, but fell back again when Fine Gael took the lead in this. A belated appeal to class politics – while simultaneously disowning the unions – has found little resonance, as the Irish electorate does not vote on the basis of classes, but of people.

The trade union movement in Ireland played an unprecedented, productive and beneficial role in the boom, and in the society shaped during those years. Through their participation in the running of the State for twenty years a humane and participative welfare state was constructed. Standards of living, including of the poorest strata of society, increased, and both relative and absolute poverty was greatly reduced. The Department of Finance was subordinated to politics and social priorities. Elderly and child poverty was radically reduced. Problem solving in public institutions and national industries through union participation in daily change management removed the daily struggle that diminished the human experience of work. More might have been done. But social partnership, while advocated by the unions in the 1980s, ultimately came as a gift from Charles Haughey while the Labour Party stood morally aside.

When partnership demanded an understanding of the world crisis by the unions, they failed to grasp the moment, or to accept the inevitable consequences of an orderly retreat. A withdrawal to the rhetoric of class struggle and hide bound morality was adopted.

The crisis of global financial capitalism since 2007 is tipping numerous countries into existential crisis. The Irish crisis is a factor in the European crisis and the Irish State, with its notions of sovereignty and an independent foreign policy, has been made an example of. It is a crisis that would have been inconceivable in a Europe of solidarity more distanced from and less embracing of the global financial project conceived by the United States and Britain.

The crisis of globalist finance played out in Ireland should have been contained or rectified through European solidarity. This is particularly the case as the real economy itself is healthy and growing. The fact that it was not contained and rectified by Europe is because ‘Europe’ decided it was not to be. Just one year ago Garret Fitzgerald believed – rightly – that the crisis was manageable and at worst would involve an adjustment in Irish living standards downwards from 120% to 100% of European average per capita incomes. The implications of the global crisis for a banking sector gripped by the American/British Ponzi model would have required state action – but other than the adoption of ‘too big to fail’. Fitzgerald now holds the usurping of the role of the European Commission by a few strong states responsible. In truth the European Commission also had succumbed to the agenda and blandishments of global financial capitalism. It was left to Member States to

adopt their own national measures without coordination and competitively, with Ireland leading the way with its creditor guarantee and the British with bank 'nationalisations'.

The only party in this contest with a sense of purpose that is not mere scrambling for office is Sinn Féin. It is a historic name, which counts for something. It was the name of Fianna Fáil and Fine Gael before they became what they are. It is capable of putting a scare into Europe, which is badly in need of a scare. It is itself, and not a mere reflection of 'focus groups'. And it has grown despite the general hostility of the media. In this election southern Sinn Féin has broken out from its existence as an appendage of the substantial movement in the North, and asserted itself as a force in the Republic. We can think of no better outcome, in the circumstances, than a very strong vote for Sinn Fein.

Between the individual – and communities – in Ireland, on the one hand, and the anarchy of global financial forces on the other, lies only one entity, the Irish State. The coherence of that State depends on the party political forces forming it. With the removal of the dominant party of the State, political conditions can only oscillate between political incoherence and adaptation to the new European norms.

Relations with 'Europe' have ceased to exist. The integral EU of Jacques Delors came to an end with the halting of the Federalist project guided by a Commission which had a centripetal effect on the constituent member states of the Union. The ending of that project with the restoration under Lisbon of the writ of the major states – mere inter-governmental rule of the strongest – means that already Ireland has had to deal individually with Germany, Britain and France. Preference for the British option from that menu is already characterising the commentaries of the media that dictate the political line of the party fractions replacing the traditional party of State in Ireland.

In the event of Fine Gael leading the next government the economy will likely be viewed from the sole perspective of economic 'flexibility'. In government for two years in the mid-1990s Fine Gael refrained from implementing the policies it had espoused in opposition and continued largely what had been put in place by the Reynolds government, including social partnership. Its economic policies may now be given their head. The major restraining influence on Fine Gael is its view of itself as a party of State, indeed as the party that founded the State and been deprived of governing it since 1932. It is this sentiment that will inform decisions on all aspects of the economy irrespective of the destructive impact on the remaining elements of social ownership. Every facet of the economy that has remained in public hands and outside the grasp of global capitalism will be up for grabs with the privatisation of national assets such as CIE and the ESB. The trade unions will be relegated from the position that enabled them to influence government policy through their role in social partnership to one which sees them viewed as an obstacle to 'progress' and 'labour flexibility' in the New Ireland.

A revival of Fianna Fáil in opposition may or may not occur. Such a revival can only be based in the politics of sovereignty; of a corporatist Social Contract; and an independent foreign policy. Whether or not this occurs, a strong representation of Sinn Féin in the Dáil is essential to draw the line for 'Europe'.

In constructing its revival there can be no doubt but that Ireland will have to look to itself for the basis of that revival. Indigenous industry, the native export sector, the agricultural and food industries, the mobilisation of the existing considerable human capital and enterprise, the reconstruction of banking-as-capital and the harnessing of natural resources from the sea and forests will all be necessary. But these are merely the tools and projects to hand. In mobilising them the state will need to reach deep into the social capital of the country. The substance of national society and particularly its social movements offer a way forward. Trade unions must rediscover their syndicalism and social forces must become major players in industries and national enterprises, defending them and becoming major stakeholders when faced with the privatisation agenda that is now a likely prospect. They must assert themselves through shareholdings as co-owners and managers. Local social enterprises have always thrived in Ireland. The GAA, the credit unions, the IFA, ICMSA, the ICA, the Unions and

other social interests must assert their role in social development. A political party must become the vehicle for expressing this philosophy as action. Morality, or acting on the basis of a moral imperative, is not a policy.

# BACKGROUND

## 1. Melting Down Ireland? - The state, the parties and the global crisis

The Opposition parties have been gifted with the opportunity to win the Election and save the economy, which has already been saved by the discredited Government. That's democracy.

Having saved the economy the discredited Government consolidated its arrangements with a Finance Bill, which the Opposition Parties disagree with and oppose. But the Opposition Parties are facilitating the passage of the Finance Bill through the Dail, while voting against it. They might have subjected the Bill to a thorough scrutiny in the ordinary way, dwelling on the grounds of their opposition to it with a view to amending it, or even defeating it.

They chose instead to facilitate the rushed passage of the Bill through the Dail while voting against it for the record. They did not want the Bill which they opposed, and which they think (or say) is bad for the country, to be defeated. They did not want the country to be saved from a Finance Bill which they say is damaging to it. They wanted the Bill passed, with them voting against it, so that it would be an accomplished fact before they won the election and became the Government. That's democracy.

Why have they acted like this? Because subjecting the Bill to proper Dail scrutiny would have delayed the Election for a few weeks, and they had the nightmare vision of the Election victory slipping away from them if they clarified the basis of their disagreement with it by mounting serious opposition to it.

The *Fourth Estate* (which in Ireland consists of the *Irish Times*) laid it down months ago that Fianna Fail—a corrupt, incompetent, irresponsible party—must be allowed by the Opposition to put the country back on a sound footing before being brought down, and destroyed if possible. And what could the Opposition do but obey?

It is said that Cowen "*didn't do perception*", meaning that he was careless of how the *Irish Times* perceived him. The Opposition Parties are all perception. They are a gleam in the eye of the *Irish Times*. They were told that Fianna Fail must be allowed to save the economy before being destroyed, and what could they do but obey?

According to the latest figures the Irish economy is set for modest growth in 2011, while the British economy is shrinking. So the time is ripe for destroying Fianna Fail. That's democracy.

The economic crisis is being used as an opportunity for creating a sense of Constitutional crisis and demanding a new Constitution. But the crisis had nothing whatever to do with the Constitution—at

least not with the Irish Constitution. It is a crisis of globalist finance capitalism, and of a European Union that has lost its bearings through random expansion, merging with the offensive militarism of born-again NATO, and descending into free-market capitalism under British influence.

Ireland threw itself into this free-wheeling, globalist, post-Cold War capitalism—and came to grief with it. It lost control of itself by doing so. It is hard to see how it could have kept control of itself while participating in this globalist binge, and profiting from it. And, while it was profiting from it, we do not recall the Opposition Parties urging the country to hold back and hang onto the ideals of De Valera's Ireland.

The crisis was international. In dealing with the crisis, the country was thrown back on its own resources. And it was the resourcefulness of Fianna Fail—the only substantial political party in the state—that stabilised the situation.

The *Irish Times*—the purpose of whose existence in recent decades has been to destroy Fianna Fail—did not avail of the crisis in the first instance to attempt to give the *coup de grace* to Fianna Fail. The *Irish Times* personnel and its backers are among the wealthiest people in the country. In modern times wealth cannot be saved up, as in olden times. It must be invested at a profit in order to be saved. And the wealth of the *Irish Times* and its clientele was in the banks that, left to their own devices, under the British influences that led them on, would have failed. But the *Irish Times* knew very well that there was only one competent governing party in the state. Fine Gael and Labour were to it only a means of subverting Fianna Fail. So they were instructed to let Fianna Fail sort out the economy before being brought down.

As Bernard Shaw's capitalist in *Major Barbara* said: "*Give me deeper darkness: money is not made in the light*". And the *Irish Times*, as the effective Irish Fourth Estate, is in the happy position of bringing things to light or losing them in mark as its interests suggest.

Its object now is to use a passing economic crisis as a means of throwing the State into the melting-pot. Its editorial on January 11th was a manifesto of dissolution:

"Last year is dead, they seem to say,  
Begin afresh, afresh, afresh.  
...*The Trees*, Philip Larkin

"... The sense of helplessness that gripped Ireland in the last months of 2010 was not irrational... The EU/IMF rescue package undoubtedly involved a loss of sovereignty... Events seemed to spiral beyond our collective capacity to... influence them... We now know the worst about ourselves. The things we have feared most have come to pass... The IMF has come in. Our cherished institutions of Church and State have disgraced themselves. There is little more the new decade has to teach us about Irish venality, cronyism and amorality... Having now fully absorbed the shock of the crash, we have the opportunity to ask the question: who and what are we as a people? One of the exciting things about the present moment is that more and more people are talking... about that question. It is the topic of the dinner table... Almost a century ago, in a time of similar ferment, W.B. Yeats wrote that 'there is a moment in the history of every nation when it is plastic, when it is like wax, when it is ready to hold for generations the shape that is given to it. Ireland is now plastic and will be for a few years to come...' He was right... It is now fluid again. The form it will take for the next generation will be decided in the coming decade. That is a large responsibility..."

But the *Irish Times* is eager to take on the responsibility of determining the shape of our future for us. And one of the worst things we need to know about ourselves is that we allowed a situation to be brought about in which the *Irish Times* can say "we" in these matters without being laughed out of court.

"The ferment has yet to find concrete forms, but there is every reason to believe that it will feed into a revival of our democracy." If it is acknowledged—other than for the sake of argument—that we ever had a democracy, and if this democracy is to be "revived", then the new will be much like the old in its essentials. Democracy is conservative—though perhaps not quite as conservative as the trees which, "afresh, afresh, afresh", begin every new year to reproduce themselves exactly as they were last year.

But that is not what the *Irish Times* wants at all—any more than a hundred years ago it wanted the shape that it now affects to lament the passing of, as a means of ensuring the passing.

How did this old Ireland—the democratic Ireland of "venality, cronyism and amorality" that all of a sudden we now cherish—come about? Through the Home Rule conflict that came to the brink of war; through deluded participation in the Great War, also known as *The War That Will End War*; through the 1916 rebellion which the *Irish Times* saw as the expression of a cancer that needed cutting out of the body politic; through the electoral rebellion of 1918, which the *Irish Times* saw as a joke in poor taste; through Britain's war against the electoral rebellion; through the 'Treaty' imposed at the point of a gun; through the 'Civil War' that Britain insisted the Treatyites should fight and supplied with the means of fighting; through years when the Treatyite authorities sought to exclude the large and rapidly-growing Anti-Treaty electoral movement from the Dail by means of the British Oath; through the Anti-Treaty electoral victory of 1932 and the Treatyite lurch into Fascism in response to it; through the long series of Fianna Fail victories by which the Fascist movement was worn down and the Parliamentary system founded; through the Economic War of the 1930s that ended British occupation of the Irish Ports; and through the neutrality in Britain's Second World War of the 20th century, which is now condemned by the best people.

And where was the *Irish Times* in that long series of conflicts with Britain through which sovereignty and democracy were established?

In order to encourage the idea that the State is in Constitutional melt-down, the paper fosters Utopian notions of democracy. Ten years ago, when Professor Foster was cock of the academic walk, he regularly dismissed the independence policy of Sinn Fein as "visionary", meaning that it was inherently impossible—mad. But all that stood in the way of it was British militarism. Now, however, the *Irish Times* is encouraging a visionary mentality in earnest.

Its corruption expert, Elaine Byrne, quoting Kinsey, proposed a sex test for politicians, and seemed to be in earnest about it (Jan. 11). She thinks that the young are better at sex and that politics should, therefore, be handed over to them. She was writing in place of Garret FitzGerald, who was on leave. We don't know if he returned and commented.

An apt comment would be Freud's view that civilisation is founded on sexual inhibition. The context of the free sex activity of the young in very recent years was not brought about through free love. It is probably a symptom of the decline of European Christian civilisation in which sexual inhibition played a prominent part. And its Islamophobia is probably soundly based on a sense that, despite its cult of youth, it is old and is declining in the presence of a purposefully inhibited youthful civilisation which it failed to crush—But we tried to crush it, didn't we? Remember Gallipoli!

Vincent Browne joined in the mostly inane *Irish Times* constitution-mongering, for instance proposing on 19th November that it should be made unconstitutional to 'whip' party members into line for Dail votes, and proposing that a third of the Dail should be able to prolong parliamentary debates indefinitely. As though the Dail and individual TDs could have averted the international crisis of finance capitalism, in which Ireland is caught as a small cog.

However, he redeemed himself to some extent on 26th January with the following crisp analysis:

"The fact is that Fianna Fáil has bought into the neoliberal consensus: that the state has no

place in the economy, that economic growth is paramount and free markets are the engine of growth, that monetary incentives are indispensable to economic success, and too bad about inequality but we will do our best to deal with consistent poverty! So too, incidentally, has Fine Gael and the Labour Party bought into that consensus, however much the latter may now protest this is not so..."

He might have said that any alternative to the Cowen-led Government will probably increase the neo-liberal bias, with the exception of a Sinn Fein-led administration.

But Fianna Fail is ultimately flexible on such matters. What it bought into, it might sell off again. Listen to what Ray MacSharry had to say recently:

"Mr MacSharry, dubbed 'Mac the Knife' because of his sharp cuts of public expenditure in the 1980s, gave the Government 'two' out of 10 for its handling of health and warned that the HSE [Health Services Executive] which controlled one-third of the entire budget, had to be taken back under ministerial control. 'I would never allow a situation where €15 billion or € 16 billion of taxpayers' money would be handed over to an organisation to spend in whatever way they like. That is wrong, it's not democratic and it will have to be changed', he told a seminar in the Dáil of former parliamentarians. He also said the National Roads Authority and the Higher Education Authority should be back under ministerial control" (*Irish Times*, 22 January 2010).

Fianna Fail having been around since before Protectionism, and before the fashion for Privatisation and Globalisation can therefore put these things in perspective—they are policies to serve the nation and if they do not serve that purpose they need to be changed. Reports of Fianna Fail's death might be exaggerated.

Fintan O'Toole has refused to put the *Irish Times* view of things to the electorate by contesting the election. He says he is an opinion-former. He is there to judge the populace, not to curry favour with it. But he says that he put fifty ideas on the Internet and that it would be a good idea for people to get together in groups and discuss them. We have not heard so far of any Fintan-Groups being formed.

But Fintan has published a rebellious pamphlet, *Enough Is Enough. How To Build A New Republic*. On the cover it has a picture of the old order overthrown outside the Dail and the Financial Services Centre, and Kathleen Ni Houlihain trampling over them with a Harp in one hand and a Tricolour in the other.

The pamphlet consists of Five Myths, Five Decencies, and Fifty Ideas For Action. Three of the *Myths* are that Ireland is a Republic, that it has a representative Government, and that it is a Parliamentary democracy:

"Irish people believe they live in a parliamentary democracy. Until they grasp the rather obvious fact that they don't, they have no hope of creating a republican system of government" (p61).

"A new realism has to begin with the reality that the economic disaster has deep roots in Irish political and institutional culture. Nothing will change unless politics are reinvented. That reinvention begins with the realisation that five underlying truths of Irish politics are not true at all" (p10).

Three of these false truths have been given. The others are the Myth of Charity, which is the belief that there are no rights, only gifts from the Church; and the Myth of Wealth, which is a belief that the country was wealthy a few years ago.



Four of the Five Decencies are conventional. We should have Security, Health, Education and Equality. But the fifth, which is the means of achieving the other four, is novel. It is Citizenship, to be achieved through Ethical Austerity. So bring back De Valera? Not at all. Dev's austerity was Catholic. What O'Toole seems to have in mind is something like the stoical austerity of the collective republic of ancient Rome, in the days when Cincinnatus could be called from the plough to be Dictator for a season, save the State, and then return to the plough—centuries before Rome became a prosperous and cultured Empire, and centuries before the Empire became degenerate and was preserved by Christianity.

OK Fintan. We're game. Just lead the way!  
(But has your secret Directory approved?)

A great weakness in this pamphlet, which wants us all to stand up and pull down the house, is that it was issued in another house. It is published as a book by the elite English bourgeois publisher, Faber & Faber. ("*Shall I part my hair behind? / Do I dare to eat a peach? / I shall wear white flannel trousers and walk upon the beach!*")

Coming from that source, who was it likely to influence? The *Financial Times*. Wolfgang Münchau of the *FT* is one of the handful of writers quoted in it. The *FT* policy for the finance crisis in Ireland was default. And, as far as we could grasp, O'Toole's policy too was for a default. And this *FT* editorial of January 23rd might have been inspired by O'Toole's bookish pamphlet:

### **"Irish meltdown**

"Ireland's coalition has become the first eurozone government to fall as a result of Europe's debt crisis. That is unsurprising. Yet, the justifiable anger of Irish voters at being saddled with the debts of their reckless bankers cannot itself explain the extraordinary implosion of Fianna Fáil, the party that has long dominated Irish politics.

"Brian Cowen, the prime minister, was forced into calling early elections on Thursday, to resign as party leader on Saturday, all after winning a confidence vote from his parliamentary party on Tuesday. His discredited leadership had been challenged after undisclosed meetings with Sean FitzPatrick, the banker at the heart of the financial crisis, came to light. What followed was utterly cynical.

"Six members of the cabinet resigned and Mr Cowen tried to give an electoral leg-up to lesser-known Fianna Fáil MPs with scattergun offers of ministerial portfolios. This reshuffle—and eventually the government itself—was scuttled by the party's Green coalition partners, leaving Fianna Fáil in meltdown and mutiny.

"These factional antics, as Ireland faces arguably the worst crisis in its history as an independent nation, could turn the expected Fianna Fáil rout at the polls into electoral annihilation.

"That may be richly deserved. This is, after all, the party that through its cronyism and incompetence artificially prolonged the boom of the 1990s into the credit and property bubble of the past decade, and then gave a blanket guarantee to its banker friends that has ended in the humiliation of Ireland becoming a ward of the European Central Bank and the International Monetary Fund.

"Fianna Fáil will almost certainly be replaced by a coalition of the centre-right Fine Gael and centre-left Labour parties. But it will be vacating a lot of political space, some of which will be taken up by populists, including the Republicans of Sinn Féin, now poised for a breakthrough in the south.

"It is thus vitally important that the campaign now opening properly addresses the issues of governance and accountability raised by the crisis. Whether creditors of the banks should share the pain of the bail-out with taxpayers will—and should—be a dominant theme, and the mainstream parties must take ownership of this and not leave the field to the populists.

"This should also be the occasion for the independent voices clamouring for a new politics in Ireland to come forward and lay out their stalls. Irish voters, and the future of the republic, need no less."

The call by the *Financial Times* editorial for the independent voice to join the electoral fray can only have been directed to Fintan O'Toole, who has profitably made himself the voice of Ireland to the international world of papers and broadcasting. On January 29th, after a week of silence, he spoke again, to say that he would not come forth and lead the people. He had given the matter serious thought, as one should after a call from the City of London, before deciding not to. He gives a bunch of reasons, which can only be described as lame excuses in the light of what he has been preaching. There is, for example, the difficulty of finding a party to join, after offending them all. How could he even have thought of joining one of the parties of the bogus and bankrupt system he has been denouncing? He should have presented himself as the leader of a campaign of righteous renewal which would sweep all those compromises aside—as the O'Connell of a new dispensation.

Having refused the call, can he now resume his lavishly-rewarded career as prophet with a safe job, in the midst of the catastrophe and corruption that he preaches—a timid, self-serving Savanorola?

To conclude, we assert the realities which O'Toole denies. Ireland remains a republic, despite O'Toole's hankering for the Commonwealth residue of the British Empire. It has representative government. It is a Parliamentary democracy. Its elected Government has coped remarkably well with a crisis for which its main responsibility was that it participated willingly in the globalist economy according to international standards.

Democracy is not some general principle of harmonious government. It is a highly artificial system of conflict, arrived at through particular historical development in certain situations. It is a system of egoism, made functional by the combination of individual interests into collective vested interests. In ideal, it is an individualist system in which each competes against all in a medium of perfect equality. But it is not practicable on that basis. And its weakness in Ireland is that the workers are not present in it as an effectively organised vested interest.

If the nature of the Constitution contributed to a worsening of the effects of the international crisis, the fault did not lie in the formal official structure as laid down in the book called *The Constitution*, but in the *de facto* political system, the arrangement of political parties.

The Proportional Representation system of political representation, imposed by the Treaty, was intended to weaken the State by preventing strong government. De Valera understood that when reforming the Free State system in the 1930s, but he reckoned that, if he had included a reform of PR in the new Constitution, that would probably have caused the whole Constitution to be lost. Subsequent attempts to reform PR by referendum were lost because of a vested interest in it by the Opposition parties. Fine Gael and Labour presented reform of PR as an attempt by Fianna Fail to establish itself in dominance. But it had already established itself in dominance despite PR, and De Valera's purpose was clearly to encourage the development of an effective two-party system, in place of the system of one and two halves. His concern was for the viability of the State of which he was in great part the creator, but that was not admissible in the heat of party conflict. So PR remained, and Fianna Fail continued to be in office most of the time.

What made the ending of PR unacceptable to the two half-parties of the Opposition was that it would have encouraged the growth of one of them at the expense of the other. By retaining PR, the two half-parties guaranteed themselves their niche half-lives, but made certain that neither of them

could of itself become the Opposition with the prospect of winning an election.

A two-party Opposition is necessarily ineffective, particularly when one of them is to the Right of the governing party and the other is to the Left.

When the logic of PR caught up with Fianna Fail, and it was no longer able to form a single-party Government, the complexion of its Coalitions was going to be determined to some extent by the party it was in Coalition with. Being the national party, it was made up of a broad spectrum of opinion, from Right to Left, and was capable of making a consistent Coalition with a party on either side of it. The Labour Party refused Coalition with it, except for one brief period which was ended by the *Irish Times*. Fianna Fail Coalitions have therefore been with the Right.

It seems that the two half-parties of the traditional Opposition, who cover up their disagreement with each other in the hope of gaining office, are about to have their stint in office. In order to get it, they have set policy aside completely, relying on Fianna Fail having sorted out the crisis with measures that they opposed.

They also hope that Fianna Fail has been scotched and will self-destruct. That is certainly a possibility. Instead of going to the country as the Government that managed the crisis, and making the case for itself, it is running away from itself under a new leader chosen to please the *Irish Times*. So it could be that the Right/Left coalition will this time be governing without a strong Opposition. And it could be that there will be four parties of more or less equal size elected, along with a welter of Independents—which is what PR was intended to bring about in the first place.

The Greens disgraced themselves at the end, and we assume that they will suffer for it. Neither Fine Gael nor Labour stands for anything much, apart from not being Fianna Fail. Fianna Fail was making historical nonsense of itself long before it was overtaken by the bank crisis and deserves a shock, whether it collapses or not. Bertie Ahern made some awful speeches on important occasions. Micheál Martin wrote a history of the party in Cork and accepted Peter Hart as his authority. Brian Lenihan lauded the same discredited guru in his Beal na Blath oration.

The only party with a sense of purpose that is not mere scrambling for office is Sinn Fein. It is a historic name, which counts for something. It was the name of Fianna Fail and Fine Gael before they became what they are. It is capable of putting a scare into Europe, which is badly in need of a scare. It is itself, and not a mere reflection of 'focus groups'. And it has grown despite the general hostility of the media. We can think of no better outcome, in the circumstances, than a very strong vote for Sinn Fein.

The country cannot lose itself in Europe—which was the fashionable expectation a few years ago. Europe is losing itself, so Ireland has no alternative but to be itself.

## **PS**

As we go to press it is announced that *Democracy Now!*, a secret group led by Fintan O'Toole, Eamon Dunphy, David McWilliams, and Elaine Byrne, had intended to contest the election but did not do so, allegedly because it was caused at such short notice. It seems to us that these commentators were glad to have an excuse to deprive the electorate of a chance to reject them. After all, these were the very people who insisted that a March election was a denial of democracy—presumably because they feared that Fianna Fail would have time to mount a defence that would recover at least some of its lost support. A Fianna Fail meltdown is what they wanted. These media personalities are a froth on the substance of political life—it is not surprising that the bubbles burst when it was time for practical application. This was the moment for the media pundits to show what they were made of—and they have.



## 2. 'Europe': Sacrificing the EU to secure the Euro

"THE PICTURE from last Tuesday's dinner is worth a thousand words. European Commission president José Manuel Barroso is sitting like a schoolboy with his hands clasped in his lap, his glass of pink champagne untouched. His host, Chancellor Angela Merkel, leans over casually, legs crossed luxuriously. At her side stands a cool glass of beer. It's an image that recalls the rule of all happy marriages: the man thinks he's in charge, the woman knows she's in charge" (*The Irish Times*, January 28, 2011).

That image does indeed sum up the power relations now in Europe. All that was missing was Sarkozy on the other side with his legs crossed, drinking his wine.

The chief nation states are clearly and indisputably in charge. So what, it might be asked, as that has always been the case? But that was not the plan. We are supposed to be in a Union and there are mountains of formalities and legalities that say so, together with a Parliament and a worldwide Foreign Service and a Constitution and a Commission that was supposed to be the dominant element in charge of developing the Union.

The common currency was established to further the development of the Union and has run into an economic crisis caused by the behaviour of the banking sector. Any political institution justifies its existence by solving problems. But this Euro crisis is being solved by a number of governments deciding on policies and not by the Union's institutions. The latter have been allocated to be a sideshow as exemplified by the image description above. The EU institutions have had to be sacrificed to save the Euro. The 'Merkel Plan' for harmonisation will decide on issues that are not within the competence of any EU institution. Such proposals should be suggested to the Commission for it to draft into legal initiatives. That is not being done effectively depriving the Commission of its central role in the EU framework.

Germany being the strongest economy in the EU is central to the solution of the crisis and therefore has had to think hardest about the issues involved. Its Finance Minister Wolfgang Schäuble has been explaining what must be done:

"The finance minister said more intergovernmental decision-making was essential to closer co-ordination of financial, economic and social policy. "It's the second best solution but the only one to be realised in the near future," he said. "This may sound disappointing to all those who would like an ultimate correction to presumed mistakes in the European currency union but it marks the genesis of European integration. Europe is and remains complicated and progresses step by step..... The German finance minister said his government was interested in practical results and not theoretical discussions about European ideals. Any changes would come at inter-governmental level, he said, because European institutional development was unlikely, given huge political, legal and public opposition around the continent. The level of opposition was clear from a representative survey suggesting the euro zone crisis has caused a spike in German unhappiness with the EU." (*The Irish Times*, January 27, 2011).

Mr Schäuble is saying that the EU institutions are redundant. But he cannot have it every way and claim that this 'second best' solution is also an example of step by step progress. This is playing with words. Political institutions that are redundant will be abandoned like broken down vehicles on the roadside even though they may hang around for ages. If such institutions have failed in a crisis they cannot be resurrected when the problem is solved by other institutions based on a completely different philosophy. There can be plenty ambiguity and misuse of terminology and double thinking but the essentials are clear - intergovernmental relations now rule between states are they are opposite of a Union relationship. The political allegiances are to the nation states and not the Union. This is what we now have. This will heighten national differences and conflicts. A strong Sinn Fein in

the Republic is a typical and inevitable result. And those allegiances will determine how the monetary union is managed and in whose interest. As it will also determine how other relationships will be determined in, e.g., foreign relations and military matters. The Minister went on to say:

“In future we will not look on as countries encourage structural problems through bad politics and undermine their competitiveness,” he said (ibid.)

But in the absence of EU institutions who is the ‘we’ that will judge the ‘*bad politics*’ in an intergovernmental situation and then insist on remedies? In such a situation the strongest in the singular or plural will, quite rightly, dominate. That will create another form of European unity – but not unity as we know it. Germany is clearly strongest in economic terms, but it is only in economic terms but as all life now seems to be based on economics it inevitably dominates. Politically, Germany is a minnow and it will be other politics that will dominate and that politics will clearly and obviously be the politics of USUK and we know what they mean for the world.

### **Garret saw the problem 37 years ago!**

Garret Fitzgerald condemned the new situation:

“Arousing unrealistic expectations of European easement of our financial crisis also carries with it a danger of evoking further domestic hostility towards our EU partners, and towards the European Commission, which could become highly dangerous.

In this connection it is important that we become aware of an aspect of the German-French proposals for euro zone reform that has received almost no publicity here – namely their idea of employing for this purpose an intergovernmental reform process, outside the EU’s normal decision-making structure. (*He should subscribe to the IPR, editor*)

The decision-making system (known as the “community method”) is one that precludes member states, regardless of their size and importance, from pushing their own interests by proposing new EU laws. Only the independent commission may propose such laws, which, subject to agreed amendments, are then adopted by the Council of Ministers, nowadays jointly with the European Parliament.

The importance to us of this decision-making structure has never been well understood in Ireland outside of official circles, but its preservation has been Ireland’s most vital national interest within the EU.

For this unique decision-making system has most effectively protected the interests of Europe as a whole, and in particular smaller countries, including Ireland, from possible abuses of power by larger states.” (*Irish Times*, Feb. 12<sup>th</sup>)

This begs a few questions – what did Ireland do to prevent this clear and obvious threat to its interests? It did not exactly happen overnight. And who is responsible for not making the fundamentals of the EU well understood in Ireland? During nearly 40 years of membership we did not really know what we joined! This is an amazing admission. Surely Garret must know that he and his acolytes like Brigid Laffin are primarily responsible for the ignorance as their whole *raison d’être* was to promote knowledge and the virtues of the EU. How many million words streamed for them and the other Euophiles during the Lisbon referendum campaigns and yet we remained ignorant of the fundamentals and ignorant of that fact that these recent developments were going against our interests?

But it gets worse. Garret saw it all coming:

“France was never very happy with this arrangement, and after his election as French president in 1974, Valery Giscard d’Estaing invited his fellow heads of government to a dinner, where he proposed a radical change in this established community method of taking European-level decisions.

This change would have involved the heads of government regularly participating in decision-making meetings of the Council of Foreign Ministers – these joint meetings were to become known as European Council meetings, and to be prepared by a separate secretariat outside the community structure.

At these meetings the leaders of the three larger countries hoped to act as a European directory, dominating proceedings.

Ireland, (then in very good standing in the community), together with the Benelux countries, and backed by the president of the commission, successfully opposed this dangerous move. The big three eventually climbed down and, apparently feeling that their dignity as leaders of important states would be compromised by having to confine their involvement in decision-making to proposals made by the commission, decided to abandon actual decision-making at these European Council meetings. Instead, they would use these occasions to offer “orientations”.” (ibid.)

What excuse can he have for not opposing the resurrection of d’Estaing’s idea by none other than d’Estaing himself after the Nice defeats when he made himself president of the Convention in 2002 that set in motion what led to Lisbon and the absolute conformation that the Commission was now a sideshow and the major states would dominate? With this insight Garret should have led the anti-Lisbon campaign! If he did nothing it would have been something useful but he joined with gusto in this destructive campaign against the interest of the European Community and Ireland in particular. This brings out the hopeless nature of Garret’s politics. He never sees the wood for the trees – until the wood is on fire. Issues are overanalyzed to the point of making the issues meaningless usually with a welter of statistics and graphs. Or to mix metaphors he is great at closing doors after horses have bolted.

Ireland made a singular and unique contribution to the regression that Garret correctly describes in the form of Pat Cox’s successful campaign against the Commission’s authority. I do not recollect Garret saying a word against that example of Ireland punching above its weight with ridiculous and spurious accusations against Santer and other Commissioners. No doubt he wrote something that was easily forgettable and went with flow at the time. Haughey got Europe right. He saw it as a natural development of Irish nationalism, as totally complimentary to it, a development and a flowering of that nationalism. Europe was home. Because of that approach he ran the most successful Presidency ever, made a crucial contribution to German reunification and set the scene for the massive funds that materialised later.

On the other hand Garret always saw Europe as an antidote, a corrective to Irish nationalism, an alternative. Europe was a refuge. This impressed nobody because no other state had that complex about itself. States do not have much time for a state with a bad conscience about itself and which seems to need to be rescued from it.

The longterm consequence of this crisis is that Ireland must change its mindset about Europe. In the absence of its authoritative political institutions Europe becomes an abstraction. What exists are nation states and nothing else except waffle for the naive. We must relate to them and establish relationships with them. This opens up a very interesting and exciting prospect.

# 3. Ideology, the media and the State

## The Base and Superstructure

What is the relationship between the economy, politics and the media or cultural outlets? It is sometimes mistakenly said that Marx believed that the economy determined politics and culture. That is a simplistic interpretation.

The Bible tells us that in the beginning there was the word. Marx (and Goethe) believed that first there was the deed. The economic base or structure of society is determined by politics or the outcome of the class struggle. The ruling class, through the State, arrange for the superstructure (media and cultural outlets) to support the economic base. The superstructure gives an ideological or distorted view of reality (in particular social relations) in order to serve the interests of the ruling class and the economic base. That is also a simplistic interpretation of Marxism, but it is much closer to the truth than the economic determinist view.

## The autonomy of the superstructure

Even in the most organised of societies the superstructure (media and cultural outlets) is not purely determined by the economic base. It is relatively autonomous. However, in Ireland it could be said that the superstructure is almost completely autonomous. This particular characteristic of Irish society arose from the nature of the national revolution.

In the early 20th century a native bourgeoisie was beginning to emerge. Under the leadership of John Redmond and the Irish Parliamentary Party it was making an accommodation with British imperialism in exchange for some very limited political autonomy. This presented a dilemma for the British ruling class. On the one hand Redmondism promised a final resolution of the Irish question on favourable terms for British Imperialism; on the other it involved betraying the Anglo Irish and, more importantly, Northern Unionists.

However, there was a dramatic rupture of this line of development in 1916, which was confirmed by the 1918 election. A new young, anti-imperialist political class emerged which had no economic power. The Treaty split represented a set back for this new class because the pro-treaty element became dependent on the pro-British and Redmondite tendency in Irish society.

## Fianna Fail and the Superstructure

But it was the anti Treatyites in the form of Fianna Fail who were to become the dominant political force in Irish society. However, although anti-imperialism became the dominant ideology, Fianna Fáil failed to seize the commanding heights of the superstructure. The universities remained Redmondite or pro-British. In 1931 the Irish Press was founded to counteract The Irish Times and Irish Independent but it was not until the 1960s that a native bourgeoisie had emerged to challenge the dominance of the Anglo Irish in the banking, accounting and insurance sectors of the economy. Traditional elements within Fianna Fáil disliked this new development; others saw it as a logical outcome of the national revolution.

The outbreak of war in Northern Ireland caused a crisis within Fianna Fáil. Jack Lynch capitulated to the British and instituted legal proceedings against his political opponents within Fianna Fáil.

Fianna Fáil continued to dominate Irish politics, but there was a collapse in its ideological superstructure. After a long period of decline the Irish Press expired in 1995. But the newspaper had long ceased to be the paper of the national revolution. From 1970 onwards Fianna Fáil survived by adapting to the ideological superstructure rather than attempting to challenge it. The disconnect



between the ideological superstructure and the original Fianna Fáil vision has been cumulative. It is illustrated by two of the leading contenders to succeed Brian Cowen quoting approvingly from the discredited, revisionist historian Peter Hart.

### **The Ideological Superstructure**

In last month's Irish Political Review Desmond Fennell described the media in this country as displaying "no political pluralism". In this respect it resembled the media in a "communist regime or one party dictatorship". However, in other respects the media in this country is the complete opposite to its counterpart in a one party dictatorship. In this country the media acts to subvert the State and undermine the national bourgeoisie.

Since the ideological collapse of Fianna Fáil the superstructure has returned to its default position before the national revolution: it is Redmondite (RTE and the Irish Independent); and openly pro-British (The Irish Times). The distinction relates to the source rather than suggesting any difference between the two positions.

The narrative of the ideological superstructure, which includes the media, is that the State has failed. The Irish bourgeoisie is irredeemably corrupt and we as a nation are incapable of running our own affairs. Selective use of economic indicators such as unemployment and emigration are used to support the thesis.

It might be said that a critique of the national bourgeoisie is in the interests of socialism, but nothing could be further from the current conjuncture of political forces. The alternative to the native control of banking is foreign control of banking. This is the policy of the current central bank governor Patrick Honahan. By undermining the democratic State the so-called left is disabling it from implementing socialist policies. For example, Fintan O'Toole advocates rule by a technocratic elite which would be insulated from democratic accountability. He suggested that Michael Somers (former head of the NTMA), Niall FitzGerald (former head of Unilever) and Mary Robinson (a former President who cut short her term for careerist reasons) should have negotiated with the IMF.

The moral denunciations of Fianna Fáil by the Labour Party and Sinn Fein have nothing to do with socialism.

### **An Alternative Narrative**

The weakness of the media narrative is that it has very little to do with reality. When it is considered that the new Irish State inherited from the British a legacy of famine, debt (from the Land purchase scheme) and some of the worst slums in Europe, it is difficult to see how the subsequent development of the Irish State can be said to have been a failure. The Pro Treaty element largely eliminated Redmondite corruption in local government in the early years of the State.

### **Emigration**

The population of the 26 counties since the First Dáil in 1919 has increased from 3 million to 4.5 million. Practically, all of that increase was in the last 40 years when the national bourgeoisie was beginning to assert itself with the help of Fianna Fáil.

The Irish Times began an article (8/1/11) with the statement that emigration had "returned with a vengeance". There followed heart rending descriptions of tearful departures at Dublin airport. But a look at the figures suggests a more nuanced picture.

The 1980s are generally perceived to be a difficult period for the Irish economy. For just over half of that period the Fine Gael/Labour coalition was in power. By 1989 the economy had entered a period

of jobless growth but emigration had peaked at 70k in the 26 counties. In the 12 months to April 2010 emigration reached 65k. So, does this represent a return to the dark days of the 1980s? The answer is No.

Of the 65k that emigrated in the year to April 2010 only 27.5k were native Irish. So the balance were people returning to their own country, which hardly represents a national tragedy. But how can we be certain that even the 27.5k native Irish who emigrated can be categorised as “forced emigration”?

In the year to April 2006 when the economic boom was at its height and there was a shortage of labour emigration by the native Irish amounted to 15.3k. So, of the 27.5k who emigrated in April 2010 only 12.2k could conceivably be accounted for by a deterioration in the economy.

It should also be said that in the 12 month period to April 2010 immigration did not cease. 30.8k “deluded” souls arrived on the shores of this “benighted” land. Of the 30.8k, 13.3k were Irish citizens. So the net emigration (emigration minus immigration) of the native Irish amounts to 14.2k.

Notwithstanding the net emigration figures the population of the country continues to grow.

The Republic of Ireland is one of the most open economies - in terms of both labour and capital - in the world. The statistics do not warrant the hysterical headlines in the media.

### **The Economy and Employment**

Fianna Fáil began its current run of unbroken government in 1997. From 1997 to the present the economy has grown by about 70%. Unfortunately for Fianna Fáil eaten

bread is soon forgotten. In the last 3 years the economy has contracted by about 11%. However, the overall figure of 70% for the last 13 years compares very favourably with an EU average of about 20%.

From 1997 to 2010 the number of people employed rose from 1.38 million to 1.87 million. In the same period the unemployment rate rose from 10.3% to 13.5%. However for most of this period the unemployment rate was within a range of between 4 and 4.5%: in effect full employment.

In 1997 Fine Gael had been in government for only 2.5 years. The last time that party had served almost a full term was in 1987 when the unemployment rate had reached 16.8% and the level of employment was at 1.09 million.

### **Recent Economic Performance**

The recent economic performance has been poor in terms of consumption. However, the productive capacity of the economy has not diminished. Most of the increase in unemployment has been from the building industry and the retail sector. Manufacturing output increased by 14.2% in the year to November 2010. This compares with a Euro zone average of 7.4%.

Unlike other countries on the European periphery we have returned to a balance of payments surplus on the current account.

The current budget deficit was about 1.5 billion euros less than target for the 11 months to November 2011. Most of the improvement was in the latter half of the year which indicates a positive trend.

There is no doubt that calling in the IMF was very damaging for the government. Pat Rabbitte describes the State as being “in receivership”. But there are not many receivers who would make new capital available to a debtor.

### **The Political Narrative**

In the 2007 General Election the electorate ignored the media narrative because it was obvious that it did not accord with reality. However, in the more difficult economic conditions of 2011 Fianna Fáil has so far failed to give its own narrative.

In recent weeks a line has come from the media to the effect that Fianna Fáil has put the party before the country. An example was on Friday 21st on RTE’s Drivetime show when Philip Boucher Hayes counted the number of times leading Fianna Fáil politicians mentioned the party and compared it to the number of times they mentioned the country. The result was a four to one ratio in favour of the party. Ergo, we are invited to conclude from this childish word game that Fianna Fáil leaders neglect the country in favour of party interests.

In fact the opposite is the case. Fianna Fáil leaders have acted in the interests of the State and neglected the interests of the party. The political party, in particular Fianna Fáil, is the means by which the policies of the State are mediated to the people. It is an

essential function of a democracy. In the absence of a coherent and vibrant political party political discourse is mediated through an unaccountable media.

If the leadership of Fianna Fáil fails to mobilise the party to transmit its own narrative of its period in government, it will deserve to fail.