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SDLP 'Blues'

The *Irish News* is a political newspaper now, as it always has been. It began as an anti-Parnell paper, became Parnellite at the appropriate time as a Redmondite Home Rule paper, was the paper of the Nationalist minority in general when Northern Ireland was established as a means of enacting Partition, and finally became the paper of the SDLP when the SDLP was founded as the constitutional wing of the insurrection in 1970.

But there was nothing final about the SDLP. Having achieved the Good Friday Agreement, it promptly lost its bearings and went into decline. And the *Irish News* is having difficulty in moving on.

The Agreement was achieved by John Hume acting with the leadership of Sinn Fein, rather than by John Hume as the leader of the SDLP, whose contribution to that development was that it failed to stop him. When the Party was left to its own devices because of Hume's retirement in the moment of apparent victory, it did not know how to exploit a victory that somebody else had gained for it. It tried to settle down within the GFA, imagining it to be a settlement, when the last thing it was was a settlement. And so it went into decline, and Sinn Fein came into its own in the Six Counties eighty years after it did so in the rest of the country.

How might the SDLP regain ground? By outflanking the Provos on the ground of militant nationalism and accusing them of selling the pass? That is what Mark Durkan has been trying to do with little success.

And the *Irish News* is also trying it, in the latest instance by giving front-page publicity to 'dissident' Republicans who are suggesting (at least in the form in which the *Irish News* presents their complaints) that the Provos are on the verge of breaking their Ceasefire by trying to intimidate them into compliance with the current requirement of the peace process.

'Constitutional nationalism' has come to a strange pass.

(See also: [*Has Sinn Fein Become The SDLP*](#) on page21.)

Nazis In Ireland And Other Stories

"When Cathal O'Shannon returned to Ireland after the second World War, he found a country which had little sympathy for Jews yet gave refuge to Nazis, he tells Shane Hegarty" (Our Hideout For The Nazis. Irish Times, 1st Jan.) He had joined the RAF and fought in Burma, and when he came home an unnamed "general in our own army" told him one night at a bar in the Shelbourne Hotel that he was a "traitorous bastard" for joining the British forces. "I had to be stopped from f•••ing belting him". And, "I was actually in physical fights" with others over it.

The item concludes:

"...what I say in this is 'let's admit that we did this'. I'm making excuses for the people that did this because I'd sooner make excuses for them than let them make excuses for themselves, because what they were doing in many ways was inexcusable. They had their reasons. But it was wrong."

Shane Hegarty does not ask him why it was inexcusable for people to be critical of him for serving with the RAF in Burma. Perhaps it is an improper question to ask in the present atmosphere, which is thick with the British glamour of war, and at a moment when the Prime Minister has officially restated a fact which has been

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Reflections On Palestine

Going to Palestine, I was somewhat prepared for the conditions I'd find among the Arabs. What I was completely unprepared for was the condition of the Jews. I knew it was a militarised state but not the extent of the militarisation. Official statistics state delicately that 48% of the workforce is in "non-civilian employment". And that doesn't take into account the vast private security industry employed at airports, rail and bus stations, public buildings and virtually every shop and

office, and at many bars and cafes.

My first impression was of a kind of static military baggage train. But even the baggage trains that followed the armies in days gone by displayed a kind of social solidarity that I found absent among Israelis: People not socialising in bars or on public transport or on the street, just sitting or walking in their own world.

The absence of manners: No one said "please" or "thank you" or "excuse me". People passed each other in narrow spaces by pushing each other out of the way. On trains and busses people hogged two seats and were unpleasant to anyone who wished

to sit next to them, to the extent of sometimes making their aggressive gestures with their rifles. So many people carrying rifles that there is an announcement every few minutes at Ben Gurion airport reminding travellers that the carrying of weapons in the airport buildings is prohibited.

By contrast, in the West Bank, young men and women routinely give up their seats to older people and even wait for the next bus if there is the possibility of an older person not being able to board.

So the baggage train analogy had to be qualified in my mind by Margaret

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obvious ever since 1690—that Britain is a warfighting state.

But there are things I cannot help remembering, and that I assume were well known to the General in the Shelbourne Bar. One of them is that Burma asserted its independence under the auspices of the Japanese assault on the British Empire, when the Japanese Empire proclaimed Asian liberation from the Western Empires.

Japan was defeated a few years later, and was reduced to subordination by the moral influence of the nuclear bombing of its civilian populations. But its effect on Asia was lasting. Britain got back to Burma, but couldn't stay. Its authority had been undermined by developments encouraged by the Japanese. Independence was conceded in 1947, with Churchill protesting that the Burmese leader, Aung San, should be prosecuted for collaboration, or treason, or war crimes, or whatever.

If Cathal O'Shannon was fighting with the RAF in Burma, he must have been fighting against the Burmese independence movement. He was fighting not only in a bad cause, but a hopeless one. Burma was regained, but could not be held.

But in letting go of it, Britain had a parting shot. It assassinated Aung San and his Cabinet.

Responsibility for the assassination was uncertain for half a century. But a few years ago that very good person, Fergal

Keane MBE, was shown on British television discovering the archive files which proved British complicity in the affair.

I assumed at the time that the reason for the revelation had to do with British Foreign Office relations with Aung San's daughter, who was the leader of the Burmese opposition. I have seen nothing further about it.

Another of the leaders of the Burmese independence movement in 1942, Ba Maw, wrote in his memoirs that his party:

"followed the example of the Sinn Fein Party in Ireland. Thus in imitation of Sinn Fein they used the name Dobama (We Burmese for themselves and everything connected with them)... They also called themselves Thakins (masters) in defiance of the colonialists who called themselves by that name when dealing with the Burmese: they read... such Sinn Fein publications as Dan Breen's *I Fight For Freedom*, Sun Yat Sen's Writings, Fabian Books" (*Breakthrough in Burma*, Yale 1968).

I have often remarked on the failure of all the historians in Irish Universities to produce a single history of either of Britain's 20th century World Wars. This means that Britain's account of both, and particularly of the second, is in practice accepted as true and adequate. (There was widespread scepticism about the first War, since the formation of the Irish state began as a rebellion against it but, in the absence

of that scepticism being consolidated in written history, it is being dispelled and we are on the verge of wearing the Poppy.)

If the British account of the 1939 War is true and adequate, and stands in no need of revision, Ireland does indeed need to flog itself over its failure to take part in that war on behalf of absolute goodness. And we need to explain how it could be that we failed to see the obvious fact that Britain is the earthly agent of Divine Providence, even though it told us that it was as long ago as the time of Cromwell.

But what's the use of sarcasm?

If Irish neutrality had been followed through with a history of the war written in accordance with the sceptical view of British declarations that was at the basis of neutrality, Cathal O'Shannon's activity with the RAF in Burma would not have the appearance of unquestionable innocence.

And there are many other cases, in the very substantial margin of the war, from which the glamour cast by the central conflict between Britain and Germany should be blown away.

Norway was not a designated object of Nazi conquest. It was Britain that breached Norwegian neutrality and caused the German counter.

In 1940, Britain, having lost the battle in France, and looking to spread the war, pressed its assistance on Greece. It was governed by General Metaxas, who had supported the King in 1915 in refusing British appeals to launch an irredentist war on Turkey. Britain then invaded Greece and set up a rival Government under Venizelos, which declared war on Turkey as a British ally. When Greece went to occupy the promised territory in Asia Minor, it ran up against the resurgent Turkish nationalist movement and was defeated, and the Greek populations were driven out of Asia Minor. General Metaxas was still there in 1939, and was in command. He declared neutrality. When Italy went to war with Greece he conducted an effective defence with Greek resources. Churchill pressed him to make an alliance with Britain. He refused on the ground that it was unnecessary, and that acceptance would make it necessary for Hitler to intervene in support of Mussolini as a counter to British forces in Greece. But he died early in 1941. His successors bowed to Churchill's pressing offer of help. And the consequence foreseen by Metaxas came about. And, when Greece became part of the Anglo-German war, its internal life broke down into civil war, which carried on after 1945.

Iraq, invaded and conquered by Britain in 1914-1918, and constituted into a subordinate 'nation-state' through an election rigged by Britain, was given nominal independence in the early 1930s by means of a 'Treaty' which, like the Irish 'Treaty', gave British continuing military

rights. The Iraqi Government declared neutrality in 1939. In 1941 Britain asserted its military right to pass an army through the country. Baghdad did not refuse, but asserted a right to monitor the passage of the Army. Churchill would stand for none of that nonsense from those jumped-up creatures of the Empire. He invaded, overthrew the Government and established a puppet regime which lasted until 1958.

His purpose in sending an army though Basra was to invade Iran. (It was at this time that Churchill expressed irritation in Parliament about countries that refused to go by their proper names. Iran and Iraq! Which was Persia and which was Mesopotamia?)

Britain and Russia had shared out Persia/Iran between them prior to 1914. They did so again in 1941.

The 1939-45 war is depicted in British ideology as an integral and coherent affair with a moral purpose. In fact it was neither. It was a thing of bits and pieces, brought about by Britain but not in the main fought by it, and the victorious alliance was so discordant internally that it was found impossible to conclude it with a Peace Treaty in 1945. (I believe there was eventually a Peace Treaty around 1990, but I took little interest in it because by then it was totally irrelevant. All I remember from it is an apology, offered with bad grace and *sotto voce*, by Czechoslovakia for the ethnic cleansing and large-scale killing of Germans.)

The glamour of the English war mythology is cast over all the bits and pieces, and they are sanctified by it and put beyond question.

If that is how it is to be, let's forget about history. But those of us who remember things from the time they happened—when the Irish public was very well informed about the war, thanks to the Censorship—must be put up with for a little time yet.

*

De Valera 'Refused To Save Jews' was a *Sunday Times* headline on 30th November 1997. It is a headline that recurs periodically in Irish papers and the Irish editions of British papers. And O'Shannon now says that, after 1945, Ireland welcomed Nazis but refused Jews.

A couple of hundred Germans passed through Ireland on the way to other places. A larger number of more important Germans went directly into the service of the United States for the purpose of continuing the war against the state that defeated Germany. And an astronomical number of Nazis never left Germany, but took part in the construction of the Federal Republic of Germany and the engineering of its economic miracle.

A handful settled down in Ireland and contributed to the business life of the
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Questions to be asked of the custodians of heritage

Eamon Dyas

In last month's article asking whether the *Irish Times* is becoming the national newspaper of record, I inadvertently typed Gagesby when I should have named Pyle (page 11, column 1, paragraph 3). Hugh Oram on page 324 of *The Newspaper Book* which I quoted as the source, clearly states that it was indeed Fergus Pyle's appointment which led to the rumblings among staff of religious discrimination against Donal Foley and not Gagesby's appointment. Foley had only joined the IT in January 1964.

I'm astonished that the Government is providing money to digitise the back file of the *Irish Times*. I was involved in a minor consultative capacity in the early days of the plans by Gale Publishing to digitise the *London Times*. This has proved to be a very useful tool but it does open up the possibility of historians receiving a somewhat one-sided view of the past—a danger all the more real when it comes to the *Irish Times*. It was compared to the *London Times* in the context of that paper's role as the equivalent Irish newspaper of record. The *London Times* represented the British establishment but that establishment was based on a very real party political culture and *The Times* could be relied upon to provide a mouthpiece for both sides of those differences. In this context it differed completely to the *Morning Post* (its deadly rival for most of its existence) whose philosophy was one of arch-Tory. Despite the fact that the Irish correspondent of the *London Times* was usually someone working on the staff of the *Dublin Evening Express* or the *Irish Times*, during particular periods of Irish crisis it also usually sent someone over to provide a separate viewpoint.

The *Irish Times* on the other hand was always closely associated with Dublin Castle and never possessed that self-confidence evident in the *London Times* which enabled it to retain its independence. There is no equivalent of the *London Times* in the Irish media and any Government investment in ensuring that the *Irish Times'* view of Irish history is widely disseminated through institutions of learning should be countered with a similar investment in the provision of an alternative voice. In fact one would have expected the Government to have undertaken such an investment before the *Irish Times* began to think in these terms. The commercial case for these kind of digitising projects is becoming more attractive all the time. (*The Scotsman* is the latest to go down the path). In fact, Irish Government involvement was not strictly necessary as it would have happened sooner or later. There are enough media voices in Irish history which represent a more authentic representation of Irish identity to have justified such an investment on the part of the Government in digitising other now defunct titles for which there is less of a likelihood that this will be done commercially. At least that way it could have claimed to at least ensuring balance.

Questions to be asked of the custodians of heritage

As far as I know the Library Council of Ireland, *An Comhairle Leabharlanna*, has not joined Minister Roche in defining *The Irish Times* as the newspaper of national record, but there are questions to be asked generally of those curators, librarians, and archivists charged with preserving the national heritage. Besides *The Irish Times* project, millions of euros have been spent on developing the Battle of the Boyne site as a potential Visitors' Centre for Orangemen. All very well and good but in the context of the absence of similar money being invested in creating, developing, and preserving similar monuments to the emergence of the modern Irish nation, it begs the question: what advice is being provided to the Minister in this area. Why, for instance is there no substantial monument or museum dedicated to the War of Independence? One thing we can learn from the British is how to preserve our identity—one just has to look at the money spent on the Imperial War Museum or the National Army Museum to get some idea of the importance the British attach to their history (to say nothing of the endless television programmes and films churned out by the cartload each month for popular consumption). Every town in the Republic should have its own dedicated museum or permanent exhibition space dedicated to the local contribution to the War of Independence. After all what better way to make museums and archives relevant to local communities—something that modern heritage is supposed to encourage.

There is nothing wrong in the Government funding the digitisation of the back file of *The Irish Times* or spending millions on developing the site of the Battle of the Boyne as an Orange tourist attraction but these should be defined in terms of what they represent in the context of the nation's historic struggle for independence. Before that, however, any healthy culture would ensure that those landmarks, documents, and artefacts that

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country. And O'Shannon, who made war in Burma, is now 'exposing' these on RTE in a mode in which factual accuracy seems to be optional.

I notice that Otto Skorzeny is being revealed or exposed. A profound amnesia must have set in after the 1950s, because in the 1950s Skorzeny was positively famous in Ireland.

Another fact I know from memory is that German engineers were valued. A Co-op Creamery where I worked as a labourer in the mid-fifties installed a new boiler system. It was got from Germany, and the fitting was done by an engineer who had worked on the U-Boats. What better qualification could there be?

I cannot remember whether it was possible to commit a war crime by naval action. I know that it was not possible by bombing. The law was that whatever was done by Britain, Russia and the USA was lawful, and Germans who did the same thing could therefore not be prosecuted for war crimes. It was OK for Cheshire VC to go along to demonstrate British support of the extermination of 100,000 Japanese civilians in an instant, so how could the Luftwaffe be prosecuted for the lesser things it did?

It is true that the Germans were prosecuted in the Nuremberg Show Trial for a systematic massacre that everybody concerned knew to be the work of one of the judges, and therefore OK [the Katyn massacre, ed.]. But the bombing record of the Western Allies was so notorious that it was decided the only thing to do with the Luftwaffe was to exonerate it.

In 1939 the bombing of Warsaw was declared to be an outrage. The Polish State had collapsed, the Polish Army was scattered, and Warsaw was surrounded by German forces, and yet the city authorities declared that they would resist occupation by street fighting. After repeated appeals to reason were rejected, the city was bombed.

Compare that to the bombing of Hiroshima and Nagasaki, which could not have surrendered to the American Army, as it was hundreds of miles away. The purpose of the bombing was to precipitate the surrender of the Japanese Government by killing Japanese civilians *en masse*. After that the indiscriminate bombing of undefended cities had to be treated as lawful by the group of states that gave themselves the pretentious name of The United Nations.

There was a faint echo of that affair on the Pat Kenny Show on television on the day of the bombing of the Pentagon and the World Trade Centre (or the day after) when the masters of the earth were appealing for world sympathy as victims. It

seemed that the sentimentality of the occasion got too much for Joe O'Connor, who tried to put it into perspective by mentioning Hiroshima. Katherine Holmquist (an American columnist on the *Irish Times*) was shocked by the comparison. Hiroshima was a legitimate act of war. This was too much for other members of the panel, including Tim Pat Coogan, and they demurred. Katherine immediately changed her opinion and said of course it was wrong. This was a moral judgment with the weight of a feather, and the discussion moved on.

But she was wrong to say it was wrong. Her Government has never made the slightest concession to the idea that it was wrong. The UN could not possibly find that it was wrong. And the Irish intelligentsia has never produced a history of this good war in which Ireland was neutral, justifying its neutrality by demonstrating what was wrong with it. And coffee table law exerts not the slightest influence on the course of world affairs.

The strange affair of Hubert Butler and Croatia was mentioned by Butler's publisher in a letter to the *Irish Times* (15.1.07), pointing out that O'Shannon's revelations about Artukovic are old hat. And so they are. Butler, a Protestant gentleman of Kilkenny, who unlike O'Shannon did not go to war for his principles, was invited to the reconstituted Yugoslav state shortly after 1945, when wholesale killings were being carried out by Tito's regime. Butler went over what was done in Croatia following its first declaration of independence from Yugoslavia (or Greater Serbia) in 1941. But, as far as I know, he never wrote a word about the first formation of the Yugoslav state (by Britain in 1919), about the bearing of this on Croat affairs, about the betrayal by Churchill of the Serb nationalism that resisted Germany, or about the reconstituted Yugoslav state within which he made his investigations.

Butler had tunnel vision. What he saw through it was the Catholic Church. What he did in Croatia was collect information about Catholic atrocities. But Croat culture was not merely Catholic. It understood itself to be European and civilised, and saw the Serbs as barbaric and Asiatic. And it did to them what civilised societies tend to do to barbarians. Croat culture is not something I ever found attractive. But that is no good reason to misrepresent it.

Butler wrote an article disparaging Germans who became uneasy about the Nazi regime through experiencing with it and praising those who were absolutely against it before it took power. The hero of the piece was Carl von Ossietzky. But Ossietzky, though interned, lived to receive a Nobel Prize in 1935, while Fritz Gerlich publisher of a vigorous anti-Nazi paper, *Der Gerade Weg* (The Straight Way) was

rounded up and shot out of hand on the day the Nazis took power in his locality. And his paper is what one comes across if one looks for uncompromising liberal opposition to Nazism in Germany. But Gerlich was a Catholic, in fact a Protestant who became a Catholic, which did not suit Butler's purpose, while Ossietzky, a Catholic who became Protestant, suited it very well. One became aware that such things were important to Butler

I should admit a problem with genocide, arising from the fact that I grew up amidst the genocidal culture known as the cinema. "*We need more men like you to exterminate these savages*" is a line I recall from a John Wayne movie, made during the Anti-Fascist War. A few years after the war, Wagner's music caught my ear on the radio and wouldn't let go of it. An intellectual London cousin, visiting the swampland of her ancestors, noticed this and told me that Wagner was bad because he was against the Jews. I had been trying to figure out the rights and wrongs of genocide, and it seemed to me that it was right when a people of lower culture was exterminated. That was the idea I got from Hollywood. So possibly it was with the Jews as with the Indians, or with other Indians in the English films. On the other hand, I was not on the side of what was right, because it was the Indians that I sided with. So, when I saw reference to a book called *Beyond Good And Evil*, I thought that must be the book for me—but the good bookseller through whom I tried to get it refused the order.

I still can't see what was wrong with my reasoning. Clearly this matter, like so many others, has little to do with reason.

It cropped up a few years ago at a launch of some German translation by Athol Books. A very intellectual German said something very complicated. Grappling with it, I said the tacit approval of certain genocides, along with the extravagant denunciations of others, seemed to suggest that a race distinction was widely applied, from which it followed that the great mistake made by the Nazis was one of race classification, rather than genocide as such: i.e., the Jews were not an inferior race and therefore it should not have been attempted to exterminate them. That was not how I saw it, but it was how I saw it being seen.

A number of people present rejected any comparison of the Nazi genocide with the liberal genocides (America etc.), and the opinion was expressed that the latter had occurred in the course of nature. Which bore out my point, that it depends on who is being exterminated, and by whom.

Both the American and German genocides are history, in that they happened a long time ago. If we cannot

treat both as historical genocides, that means we are applying race standards, just as the Nazis did. And if we treat them on a par, I don't see how the German genocide appears more repugnant morally. It was conducted secretly over a period of four or five years in a war situation, and mostly over three years in the obscure hinterland of the greatest war ever fought, the German-Soviet War of 1941-45. And it was conducted on the supposition that Jewish influence had played a leading part in the undermining of European civilisation in the Great War and after—an assumption that Churchill shared with Hitler. He saw Bolshevism as a Jewish conspiracy, and he was an active Zionist for the purpose of clearing the Jews out of Europe.

That element was entirely missing from the American genocides. The Indians played no part in European life. They were exterminated, out of sheer predatory greed, by popular action continued over many generations.

Butler praises Ossietzky as an "*absolutist*", and makes the extravagant statement that "*Effective German resistance collapsed with Ossietzky, for only relativists were left*". But his absolutism was not specifically concerned with Nazism, as Gerlich's was. His position was anti-Army. The Weimar democracy was unarmed, though surrounded by armed states, and it made some efforts to arm itself behind the back of its Versailles overlords. It was for exposing this that Ossietzky was imprisoned in the first instance—by the Weimar authorities.

Butler concludes:

"The ghost of the relativist delusion still haunts us, corrupting history as it once corrupted politics." [Which is certainly the case in the matter of genocide.]

"When it is finally accepted that Hitler was wholly evil and Stalin's most effective ally, Ossietzky and the thousands who died with him will be remembered again. They were the men who would have saved us—had we supported them—not only from Hitler, but from Stalin as well" (*Carl von Ossietzky* in collection, *The Sub Prefect*).

Which is a fine piece of rhetorical nonsense. Armies were not going to be got rid of. Utopianism is not a policy. A disarmed Germany amidst armed states in a disturbed Europe would not have ensured peace. Gerlich's absolutism was much better targeted, which is why he only survived for a day, while Ossietzky survived for five years.

And "*Hitler... Stalin's most effective ally!*" Both Fascism and Bolshevism were different kinds of elemental politics that emerged from the destruction of functional order in Europe by Britain's decision to

intervene in European War in 1914, make it a World War, and wage it in the form of total war—called peoples' war. Churchill was not mad when he supported Fascism as the effective defence against Bolshevism, or when he described the war with Nazi Germany as an unnecessary war brought about by the crazy foreign policy of the British Empire after 1922. But, given how Britain used the world power which it won in 1918, the situation it had brought about by June 1940 required a strict relativism of one kind or another: either with Hitler against Stalin, or try to bring about a war between Germany and Russia in order to gain Russia as an ally. The latter was Churchill's policy. It succeeded. But it brought Bolshevism into central Europe. And when Germany was defeated Churchill wanted to nuclear-bomb Russia. But he didn't have a bomb, he lost the election, and Truman wouldn't play.

With regard to the Jews, it is quite true that Ireland did not save them. But I don't see how it could have saved them, given that Britain wouldn't allow it to have an army; or why it was somehow its duty to save them after Britain had placed them in jeopardy.

The state that saved most Jews from Hitler was Bolshevik Russia. It opened its borders to them after the collapse of Poland in 1939. And of course Jews played a prominent part in the conduct of the Bolshevik state—so much so that Churchill saw it as virtually a Jewish state. And, though it saved large numbers of Jews in 1939, used its influence to carry the resolution at the UN in 1947 to establish a Jewish State in Palestine, and armed the Jewish State for consolidation by means of terror and conquest, it suited certain purposes to depict it thereafter as an anti-Semitic state.

During this whole period, the Jews were no longer merely a dispersed people, privileged here and oppressed there. Britain constituted the Zionist Organisation into a kind of state for war purposes in 1917, gave it a seat at the Versailles Conference, helped it to establish hegemony over the dispersed Jewish populations, and gave it a land which was already peopled to be a "*safe haven*" with consequences that we still live with.

What Britain committed the Jews to in Palestine was of a kind with Hitler's plans for Eastern Europe, was in operation before Hitler took power, and was a factor in the working out of the world situation as determined by Britain in 1919. And Hitler's Jewish policy was not an issue in the World War that Britain started in 1939 (using the German-Polish War as a detonator), but soon lost control of because it was determined not to do its own fighting.

Brendan Clifford

Editorial Commentary

Sinn Fein 'Threatens' Objectors To Policing: so read the front-page lead of the *Irish News* on 3rd January 2007. The story was manufactured out of a Letter to the Editor sent in by John Kelly (the Arms Trial defendant, and former SF MLA) and Brendan Hughes (the Hunger Striker and former SF member). The 'threats' alleged appear to be twofold: that SF members are discouraged from attending meetings to discuss policing; and that bogus threats to the life of SF leaders are being made the excuse for counter-threats: "*They are disguising their own menace by attributing violent intent to these voices [of dissident republicans]*". There seems to be no substance to these allegations, though there can be no doubt that there is serious disagreement within Sinn Fein, amongst its Assembly members and its rank and file, about policing policy. Gerry Adams' position is to appeal to opponents to remain within the Party, though disagreeing with any decision it may make to support policing.

Fifth Sinn Fein MLA Not To Stand For Assembly: *Thomas O'Reilly* (MLA, Fermanagh/S. Tyrone) did not put his name forward for re-selection on 3rd Jan. *Philip McGuigan* (MLA N. Antrim, SF spokesman on Truth Recovery & Victims) has yet to say whether he will stand, though denying that Policing was an issue. About a quarter of the Assembly team are not standing or have been deselected for the March elections. These include: *Geraldine Dougan* (Mid-Ulster), *Davy Hyland* (deselected, Newry & Armagh, and former Mayor of Newry; deselection not ratified by the leadership as of 21.12.06), *Kathy Stanton* (N. Belfast) and *Pat O'Rawe* (deselected, Newry & Armagh, and former leader of Armagh Council; deselection not ratified by the leadership as of 21.12.06). (IN 5.1.07). There are likely to be dissident Republicans standing against Sinn Fein in the March elections.

British Labour Party member, Andy McGovern, is returning to Court after the leadership failed to sign an agreement struck in the Autumn. This would have seen Northern Ireland members of the LP able to form their own Forum, which would send delegates to Conference, to the National Policy Forum etc. The deadline for signature was Christmas. Mr. McGovern's case is financed by his Union, the GMB, and supported by *Kate Hoey*, Labour MP, and the Conservative Party (Northern Ireland) (IT 23.12.06).

Kate Hoey, we have been told, turned up

to support Arlene Foster at her original adoption meeting for the DUP, held in Fermanagh in 2005.

Northern Ireland Grand Committee of the House of Commons held its first-ever meeting in Belfast, at the City Hall in meetings over a couple of days in early December 2006, where it questioned the Direct Rule Ministers about poverty alleviation and social exclusion. Hugh Orde, Chief Constable, also gave evidence about Community Restorative Justice schemes. It comprises all 18 Northern MPs in the Commons, along with up to 25 other MPs. The DUP welcomed the exercise as "*underpinning of Westminster's sovereignty in Northern Ireland*". The *Irish Times* report says of the Committee: "*It has traditionally been opposed by the SDLP*". However, Mark Durkan said:

"The SDLP does not have a problem with the grand committee meeting in Belfast—provided that nobody is trying to use it as an alternative to devolution like the UUP once wanted to..." (IT, 6 & 13.12.06).

Conor Brady wrote an article in the *Irish Times* (6.1.07), *SF Policing Stance Has Parallels With Establishment Of Garda*, suggesting that Fianna Fail too had to adapt to policing in 1932. But the way FF adapted was to get rid the Free State-appointed Police Commissioner and replace him with their own man, Eamonn Brody and recruiting some hundreds of FF supporters who were allocated to the S-Branch. There is no possibility of Sinn Fein doing anything like that in NI: its modest demand is that the power to appoint the Chief Constable be devolved to the elected members of the NI Assembly.

MI5 Director General, Dame Eliza Manningham-Buller, was a guest at the Irish Embassy Christmas Party on 5th December 2006. Ambassador Daithi O Ceallaigh also invited Sir Hugh Orde, writes Frank Millar, presumably another guest (IT 7.12.06).

Northern Bank Raid: just one person (Christopher Ward, a bank official) remains charged in Northern Ireland, now that two men (Dominick McEvoy and Martin McAliskey) had charges against them dropped. Fourteen months ago the prosecution opposed bail in all three cases, but was overruled by the Judge. The unsigned report in the *Irish Times* (4.1.07) goes on to say that some of the stolen notes "*later turned up in the Republic*", but that has yet to be established.

Michael Stone's escapade at Stormont during a sitting of the NI Assembly has emerged to be a piece of "*performance art*". The gun he carried was a replica and the 'pipe-bombs' were made of kitchen-roll holder, candle wax, and

fireworks powder. In his bail application the arthritic wrote that the object was to replicate

"a terrorist attack" and to illustrate "the futility of the politically motivated violence created in a political vacuum".

"The unfinished work, while extreme, had the desired effect in that it highlighted the need for political stability in Ulster and the obvious threat that without devolution and a sustained period of powersharing between democrats, the spectre of our troubled past may return to haunt us."

Stone is now back in jail, his licensed release from a 30-year sentence for Milltown Cemetery killings revoked. He is also charged with attempting to murder Gerry Adams, Martin McGuinness and two security guards on 24th November (20.12.06).

Parole Boards are to replace the automatic 50% remission system currently in force in NI, says David Hanson, the Direct Rule Criminal Justice Minister.

Brendan Devine has been given a five year term for armed robbery, and a further sentence for violent assault. He was the friend of, and chief witness to, the killing of Belfastman Robert McCartney, whose death was made a stick to beat the IRA in a high-profile media campaign in 2005. While charges have been laid, there are as yet no prosecutions in the McCartney case (IN 2.12.06).

Billy Wright's father won an important ruling in Belfast High Court, when Mr. Justice Deeny ruled that an Inquiry into his son's killing by the INLA in 1997 had to be continued under the legislation under which it was started, the Prisons Act, rather than being transferred to legislation subsequently rushed through Westminster, the Inquiries Act 2005, which is much weaker and enables the State to keep evidence secret. NI Secretary Peter Hain's action in converting the inquiry into one under the later legislation was held to be unlawful (IN 22.12.06).

An ex-British Policeman, Paul Buschini (former Det. Supt, Lancashire Constabulary) has been appointed Director of Investigations by the newly-established Garda Síochána Ombudsman Commission, which is replacing the Garda Complaints Board (IT 15.12.06). The Chairman of the Commission is *Justice Kevin Haugh* and its other two members are *Carmel Foley* (former Director of Consumer Affairs) and *Conor Brady* (former Editor, *Irish Times*).

British Honours: Bono's honorary knighthood has been widely commented on. Less widely publicised is the OBE for Major General David O' Morchoe, head of the Royal British Legion in the Republic, and an honour for James Michael Kelly "for services to British ex-servicemen and women in

Europe". Sir Ronny Flanagan, ex-Chief Constable of RUC, is awarded a further award for his work with the policing inspectorate in Britain, while Andrew Sens, and Brig Tauno Nieminen, members of General de Chastelain's Independent International Commission on Decommissioning, have been given CBEs (the General himself has already had an honour). The head of the Council for Catholic Maintained Schools in NI, Donal Flanagan, is honoured for services to education.

Justice Seán O'Leary left a critique of how the Courts function in Ireland, to be published posthumously. One of his main criticisms was that the Courts are over-responsive to media pressure (which became very evident over a recent 'statutory rape' case). Strangely, his remarks were mostly welcomed by elements of the media well to the fore in stoking up the hysteria, notably the *Irish Times*. Vincent Browne welcomed his remarks in a *Village* editorial, and named Adrian Hardiman in particular:

"...Seán O'Leary was scathing of some of the younger members of the Supreme Court, the youngest of whom, Adrian Hardiman, is now perhaps the most influential member of the court. He wrote: "The background of these younger members, their identification with the media consensus, the power which they will wield over the careers of solicitors and barristers, make it vital that a spirit of independence from the populist consensus develops from within that powerful state institution" (4.1.07).

We wonder if the late Justice's remarks would have been treated with such respect if he had been from the Fianna Fail, rather than Fine Gael, stable?

NI Gay Rights: Westminster has passed legislation to outlaw discrimination against homosexuals by various institutions, including adoption agencies, care homes, book stores, or bed and breakfasts—but in Northern Ireland only. Peter Hain rushed through the legislation, ahead of Britain where it is running into trouble, in order to present the NI Assembly, if it ever resurrects, with a *fait accompli*. On the other hand, the **Irish Language Act**, promised to republicans at St. Andrew's, is being delayed for Assembly decision, with the Secretary of State dangling it before Peter Robinson of the DUP as an inducement to cooperate in re-establishing the Assembly. The assumption is that it would be heavily diluted by Unionists. Peter Hain does not mind this happening with the Irish language, but is determined to impose social norms against the grain of society in the North.

Catholic Maintained Schools could lose the power to employ teachers—a proposal opposed by the Church—

when a new body, the *Education And Skills Authority* comes into being. Its role would be to run all schools in the North (IN 3.1.07).

Church of Ireland Bishops have criticised the way "*highly controversial legislation in the social and educational field*" is being fast-tracked in NI "*simply as a lever to force the restoration of a devolved Assembly*" (IT 21.12.06).

Propertied Anglo-Irish (1): The Duke of Devonshire, who owns Clondulane Weir and fishing rights on one and three-quarter miles of the Blackwater River in Cork is bringing a legal action against the Southern Regional Fisheries Board authorities over their demand that he remove his weir. Acting for the Duke is his agent, Michael Penruddock. The move would threaten a hotel business owned by the Duke, which charges anglers Euro 3,000 a week. Department engineers reported that the weir obstructs salmon from reaching their spawning grounds in the upper Blackwater; there is a general policy to remove weirs (IT 10.1.07).

Propertied Anglo-Irish (2): Patrick Jephson (former Private Secretary to Lady Diana) and his brother, Michael (Head of Catering at Buckingham Palace) have written to Mallow Co. Council, seeking the return of a 34-acre park given to the people of Mallow for use as an amenity on a 99 year lease in 1907 by their ancestor Katherine Jephson Norreys. The land, zoned for community and amenity use, has sporting pitches for GAA, soccer and rugby, a children's playground, car park, and a major arterial road. The brothers have refused a Council offer of Euro 500,000 for the land which is thought to be worth Euro 1 million. Negotiations continue.

Irish Times Book Reviews: on 13th January there were three reviews of Irish-published books on a single page! Most weeks you would be lucky to see three reviews in a whole Weekend Review section. The books in question were *Causes For Concern* by Michael D. Higgins, *Soul Of Ireland*, edited by Joe Mulholland and *Re-imagining Ireland* edited by Andrew Higgins Wyndham. The latter is reviewed by Ruairi Quinn, who writes:

"Ireland has benefited immensely from being amongst the most globalised countries in the world... A vibrant Irish identity requires a self-confident dialogue with itself and its diaspora. The presumption of a harmonious and peaceful process of globalisation to facilitate that is perhaps a bit self-indulgent. Sadly this book seems to fall into that trap."

Irish Ferries will receive Euro 4.3 m from the State towards making 534 of its Irish staff redundant last year, in favour of lower-paid workers from

Eastern Europe. Legislation allows companies to claim back 60% of such payments. New legislation is being drafted to prevent redundancy provisions being used when there is no true redundancy involved (IT 13.1.07).

Reynolds Case: The British House of Lords has overturned existing law on the 'public interest' defence. This was put forward by the *Sunday Times*—to justify its publication of incorrect allegations made by Dick Spring and others about Taoiseach Albert Reynolds at the time the Labour/Fianna Fail Government was being brought down—but failed, with Reynolds being awarded substantial damages in a British Court. Now British journalists will be able to publish material in the public interest, with fear of prosecution, even if the information turns out to be untrue (II 13.1.06).

Defamation In Ireland: It is very likely that Justice Minister Michael McDowell will carry through legislation launched in the Senate, easing libel law in Ireland without setting proper safeguards in place. Accompanying 'privacy' legislation is weak As Vincent Browne has pointed out in a *Village* editorial:

"The press council announced recently is laughable. It will have no powers, no sanctions available to it, no entitlement even to require the media to publish its decisions. Some newspapers have made it clear at the outset they will treat it with contempt—one editor has said that his newspaper's press council will be its readers..."

"The only just outcome is for the Dáil and Senate to refuse to pass the libel reform bill until and unless there is attached to it another bill establishing a statutory press council with powers" (7.12.06).

The only useful corrective against wanton allegations in the media is to force the offender to give at least four-fold the space—each time with equal prominence—to a rebuttal as to a libel.

Spain has arrested a former Argentine President Isabel (Maria Estala Martinez de) Peron, who is wanted in Argentina for a judicial investigation into dissident killings before the 1976-1983 military dictatorship, ie over events 30 years in the past (IT 13.1.07). Spain itself avoids prosecutions in respect of the Franco era.

Holocaust Cartoons: The results of the Teheran Contest (launched in the wake of the Danish Cartoons about Mahommet controversy) can be viewed on the Internet at www.irancartoon.com/120/holocaust/index.htm. The winner was Derkaoui Abdellah of Morocco and other examples of his very interesting work can be seen on: www.cagle.com/politicalcartoons/pccartoons/archives/derkaoui.asp?Action=GetImage.

Thoughts On Life, Death, And Funerals

Reading the *Irish Times* sometimes puts me in mind of the telling of amazing tales by travellers in a foreign land about the natives and their habits in a 'Believe it or not' style.

I was reminded of this recently during a pleasant week in Barcelona where I got into conversation over breakfast with a very urbane professional from rural Cork who clearly loved his food, his wine, his chain-smoking, and seemingly non-stop holidaying all over the world. I was a bit surprised by his very enthusiastic early morning reading of the 'de paper' on the Internet (the *Irish Examiner* for our cosmopolitan readers) and asked him why such an interest? "*The death notices*" he said. I wondered aloud if he had a lot of ill friends but he said "*Oh no, but 'twould be terrible to miss a good funeral.*"

His priority of pleasures in life seemed to be funerals, the above-mentioned wine etc and local Fianna Fail politics.

The encounter brought to mind a most curious, gushing, interview with our State Pathologist, Dr. Marie Cassidy, in the *Irish Times* recently. Dr. Cassidy is no doubt a real professional at her job. A job she chose and loves. And she is an increasingly busy woman. Asked about her job, she explained:

"At the end of the day, it's a job", she replies. "Okay, it's a rather unusual job, but it's not something that troubles me. I don't have sleepless nights, seeing all these horrible, ghastly images, because that doesn't affect me at all, one iota. I mean, I doubt very much that there's anything I haven't seen at this stage—I'm 20 years in, I think I've seen most things—so that kind of thing doesn't prey on my mind."

"I mean, when I came over here, I had come from the midst of the drug wars in Glasgow, and I thought, if I've to go out to another shooting, I'll scream. How many of these do I have to see in my life? It's time I had a change. I'll retire to Ireland and I'll not do anything, because Jack Harbison tells me that there's very little crime over there." She laughs, her big green eyes turning to the window. "And I thought, easy peasy."

What she notices is that the culture of crime has changed, and puts it down mainly to the influx of drugs in the past decade. Research they had carried out in Glasgow over many years showed that as the number of heroin or ecstasy deaths rose, so too did the homicide rate.

"I don't think there's anything you can do about it. Ireland is just where the UK was before I left it. I'm going to have to find somewhere else to go now," she jokes. (Irish Times, 18 November 2006).

So we are all inevitably bound to go the way of the UK in this respect. That

clearly fits an *Irish Times* view of things. Where else could we possibly go? There is no concept of maybe learning some lessons from other societies' experiences?

Dr. Cassidy is literally at the sharp end of the growing death and killing business and must have given some thought to these matters. Yet she simply sees us fated to more of the same. Why?

But the strange thing is that Dr. Cassidy has very strong views about certain other things that are not necessary seen as inevitable at all by her and there should be a pretty sharp culture change in Ireland about them, in her view.

She asks herself :

"How many funerals have I been to in my life? You go to people that you know really well. Member of the family, yes, you'll go to that one. Maybe a colleague, out of respect. But you don't go to every dog in the street," she says, incredulous now. "What's this fascination? It's true, if they haven't been to a removal in a week, it's a bad week. Obituaries. The fact that even the radio programmes list the dead" What is wrong with them?"

"You don't have to know them, you just have to know it's a funeral. It's amazing in this country, the fascination with death. Add any excitement to that, any bit of mystery, anything a bit out of the ordinary, and they'll be there in their droves. It's phenomenal. Incredible." (ibid.)

So more deaths and killings are a fact of life but funerals must be curtailed if not eliminated! The very recent growth of murder as a result of very specific circumstances must be accepted but a social inheritance of millennia is suddenly intolerable? What an odd view from someone who makes her living out of death. Will our undertakers start casting aspersions on their customers next?

Dr. Cassidy is no doubt very forensic on the mortuary table but her forensic skills desert her in her observations on society. Funerals essentially have little if anything to do with death or the dead. If anyone is 'fascinated' with death, then it is surely a person who chooses to deal with it every day of her life on a mortuary table.

Funerals are not fixated on death or the dead but are very definitely focussed on the living. They are a great expression of social support and bonding at a very vulnerable time in some people's lives. They are one of the most positive features of Irish life. They provide opportunities for the expressions of a variety of human emotions and provide innumerable services to innumerable human beings that all the professional counsellors in the world could not even dream of.

What problem exactly does Dr Cassidy have with them? Are they doing some harm? I hope the *Irish Times* keeps us abreast of her views on these matters—after she attends a few more funerals.

Jack Lane

Dermot Desmond Statement

INTRODUCTORY NOTE

In a Post Script to last month's editorial, *The Haughey Blackwash*, we noted that the *Irish Times* referred to a Statement on the Moriarty Report issued by Dermot Desmond, and that it published only a small snippet from it, with the explanation:

"Elements of Mr Desmond's strongly-worded statement are not being reported in *The Irish Times* on legal advice..." (21.12.06).

This was from the duo Geraldine Kennedy and Colm Keena who published documents stolen from a Tribunal. We published what we could find of Desmond's statement from the Internet.

The clear implication of the *Irish Times* report was that Desmond's statement was libellous. We have now found that *Village* magazine was able to publish the Statement in full (though sandwiched between disapproving commentary). Readers can decide for themselves whether it is libellous—or whether the 'newspaper of record' simply did not care to reproduce one of the few cogent criticisms of the Moriarty Tribunal and used the law as a pretext.

DERMOT DESMOND'S STATEMENT ON THE MORIARTY TRIBUNAL REPORT (20 DECEMBER 2006)

I would like to thank the Moriarty Tribunal for exonerating me and finding that I received no favours from Charlie Haughey. I am sure the taxpayers are thrilled at the nine years and millions of euros the Tribunal spent to verify the information, which I issued in press statements in January 1998.

The Moriarty Tribunal legal team has been paid over Euro 19 m. The accounting firms must be green with envy—imagine Euro 19 m and nine years to audit two individuals. If I had employed the Moriarty team, I would have fired them after a year. If they were talented people they would have done the job in a much shorter time frame and at a fraction of the cost.

The Moriarty Tribunal cast doubts over my motives for making payments to Charlie Haughey, not accepting that it was done out of pure friendship. Maybe the people at the Tribunal don't have friends or don't understand how in Ireland, most people, if they can, help out their friends in need. I became a friend of Charlie Haughey before he was Taoiseach. He backed my ideas and those of my colleagues, and shared the same vision of a new and prosperous Ireland. We had respect for each other and our ideas expanded. I was happy to help out Mr Haughey especially when he was out of office and needed help. As I said to the Tribunal, I would have gladly given Mr Haughey a million or more if he had requested it, whether by gift of loan. By believing in me and by backing my ideas Charlie Haughey did me the greatest service of all.

The key point is that no favours were sought and none were received. I did not make any payments to Mr Haughey while he was in office. Nothing rests on whether the money I gave him subsequently is deemed a gift or a loan. My evidence was consistent with the facts and with Charlie Haughey's evidence.

It is ironic that the Tribunal draws an

analogy between the amount of payments made by me to Charlie Haughey in comparison with his salary as Taoiseach, when EACH OF THE TRIBUNAL COUNSEL EARN ANNUALLY ALMOST THREE TIMES BERTIE AHERN'S SALARY. If the current Taoiseach wants a change of career, a better paying job, and apparently no accountability, I suggest he applies for a cushy job at the Moriarty Tribunal.

As I publicly stated in 1998 and as now 'discovered' by the Moriarty Tribunal I financed the refurbishment of the Celtic Mist. My only regret is that I never got a spin on it. How many millions did it take the Tribunal to work this out?

The Moriarty Tribunal has correctly highlighted that the successful investment I made in Feltrim plc earned more than five times the total money I gave to Charlie Haughey or his family over the years. I should take the opportunity to thank Conor Haughey for this great investment opportunity (probably better than an investment in CRH). The Tribunal has rightly pointed out that I would not have met Conor Haughey except through Charlie Haughey and that therefore the Feltrim payments are related to the Charlie Haughey payments. My only regret is that I did not thank Charlie Haughey enough for this profitable introduction and will have to wait until I next see him.

I thank the Tribunal for keeping confidential that I am non-resident in Ireland since 1994 and that I have numerous international investments and businesses. Perhaps they were reluctant to share this information with the public in case it would somehow take away the mystique of my 'off-shore accounts'. The dramatic language of the Tribunal amounts to zero. Not surprisingly most people including myself who live outside of the country also have their accounts outside of the country. I pay money from where I have my accounts. DCU runs a very good course in international money transfers which I suggest the Tribunal team should attend.

It is disingenuous for the Tribunal to state it has heard no evidence about payments other than those set out in my statement, and yet go on to say they cannot verify there are no other payments as they did not have full access to my accounts. This is a statement that applies to everyone in Ireland. I was not under investigation and the Tribunal was not entitled to my private accounts. Confusing the public about my accounts—when they were supposed to be investigating Mr Haughey's—is false and misleading and typical of the conjuror's sleight of hand. It is an attempt by the Tribunal to distract people from the Tribunal's reliance on conspiracy theories rather than the evidence.

For the record I have cooperated with the Moriarty Tribunal since 1997. This has involved extensive correspondence through my solicitors, the giving of public evidence and the incurring of significant legal fees on my own part. Instead of acknowledging this cooperation the Tribunal refers to delays on my part. It only later notes that I was waiting for a Supreme Court judgment and for the Tribunal to clarify its terms of reference. It is less than honest of the Tribunal to accuse anyone of delay when they are the very masters of delay.

In 1997 there was a fanfare that the Moriarty Tribunal was going to be run efficiently and fairly. For those of us, who are many, who have had first hand experience, this has not been the case. Leaks to the media have emanated from the Moriarty Tribunal and yet

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A Patriotic Freemason At The *Irish Times*

Reading John Martin's review of the book of essays on Douglas Gageby [*Irish Political Review*, January], I note that he counters Bruce Arnold's accusation that Gageby had been responsible for sacking Alec Newman as *Irish Times* Editor in 1961 with the argument that, while "Gageby was a member of the Board, the Chairman of the Board was Frank Lowe, a prominent Freemason". He also notes that one of that book's contributors, Jim Downey, has commented in respect of Gageby's nationalism: "If the Freemasons on the *Irish Times*' board knew all that, they must have agonised when they made him first, joint managing director and then editor".

This must cause some confusion for any readers who assume that Masonic and pro-British interests are always one and the same. Indeed, further confusion is caused when one reads of a belated but unsuccessful attempt to mount a *coup* against Britain's Major McDowell, which futile attempt itself smacked of Masonic intrigue. Freemasonry is indeed a subject inviting serious investigation, but such a project cannot be successfully embarked upon if burdened with some commonplace but overly simplistic preconceptions. About 25 years ago a mutual acquaintance inadvertently blurted out to me that a leading left nationalist in Ireland's agitational politics was also a Freemason. Still to the fore in campaigning for national isolationism, this Irish Protestant nationalist—who remains unaware that I am aware of his more private affiliations—obviously sees no contradiction between his practice of Freemasonry and his vociferous campaigning against any and all Anglo-American entanglements.

An appreciation of such complexities provides no easy answers but it does prepare one for a fruitful appreciation of the incredibly more labyrinthine character of the role played by Freemasonry in the history of the *Irish Times*. Indeed, it leads to one further question: What was it that enabled Major McDowell of British Intelligence to trump the patriotic wing of Irish Freemasonry?

John Martin relates that when *Irish Times* Managing Director George Hetherington first approached Gageby in 1959 to share that key office with him, Gageby demurred until such time as Hetherington had fully convinced him that he would be allowed to pursue a "national" rather than the West British course of that newspaper's historical role. I am sure that in a previous article John Martin has provided further information on Hetherington's background, but in this

January article some salient facts are not highlighted, although of particular relevance to the issue of Gageby's appointment.

Hetherington was not alone the nephew of Board Chairman Lowe, but when orphaned by the early death of his father and the emigration of his mother to Canada, he was effectively raised by Lowe as his own son, whose marriage had otherwise remained childless. Moreover, just like his *de facto* father, Hetherington was also a proclaimed Freemason to boot. That, however, there must have been a meeting of ideological minds between Hetherington and Gageby can be gleaned from a book of interviews by Benjamin Grob-Fitzgibbon that was published by Irish Academic Press in 2004 and entitled *The Irish Experience During The Second World War—An Oral History*.

Asked if he thought that Northern Ireland being in that War, and the South staying neutral, had affected partition at all, Hetherington was quite open in expressing both his affiliations and his views:

"I think it made it harder to end, yes. In fact, I don't see any end in sight, or light at the end of the tunnel. There are many difficult equations to be satisfied. You see, a bastard like Ian Paisley has a lot to answer for. It seems that the people who are continually being blamed are the Ulster Protestants. And, of course, Ulster Protestants are seen as Ian Paisley. But what a bastard. We have a good many relations with people in North. I'm a Protestant, a Freemason, you see. I have no problem with the North".

Hetherington himself was anything but a West Briton. Gageby once described how, as soon as the Second World War broke out, he himself abandoned his studies in Trinity College in order to join the Irish Army and its military intelligence operations "because Dev asked us to". While Hetherington continued working with the family printing firm of Hely's, he did volunteer for Ireland's army auxiliary, the Local Defence Forces (later to become more commonly known by its Irish language initials, the FCA). Hetherington recalled September 1939:

"I remember Dev addressing the people, that we had war on our hands... He said 'all hands to the wheel' and everybody had to do something. The war effort was really concerned with voluntary efforts through the state bodies, the army, the navy, the air force and so on... I was in the LDF... Two to three hours in the week, and usually a period of a fortnight or so under canvas in the summer months... (with exercises during that fortnight centred on

preparedness to confront one particular scenario)... Well, the usual thing was the country had been invaded from the south-west by the British Forces, so we acted accordingly".

The following question and answer exchanges from that interview conducted in the year of his death, 2001, are particularly revealing as to Hetherington's overall patriotic outlook:

"Q. Were you affected by the censorship which de Valera imposed during the war?

A: Oh yes, oh yes. There was a very strict censorship, but it was really rather fair. It was largely run by journalists themselves, so they knew the problems. It was a practical exercise. Mainly not printing the deployment of troops, and things like that, generally speaking security issues.

Q: What did you think of de Valera's neutrality policy? Do you think it was the right course of action for Ireland to follow?

A: Oh yes, I think so, yes. We were in the position of poor neighbours, a small, little island off Britain. Britain was engaged in a desperate war, so almost anything we did had to be questioned two or three times. But yes, I don't think there was any other way to go... I think Dev's policy of complete neutrality was not only the right one, but it worked. I don't see what else we could have done. We were certainly neutral, although there would certainly be an argument in saying we were neutral in aid of Britain. Well, we had intertwining relationships with the British. They came, their businessmen and retired soldiers, came to visit us in Ireland during the war, and we had good relations with them. Too close, perhaps, to be regarded as completely neutral. But on the whole, we didn't commit any terrible offences...

Q: When Adolf Hitler committed suicide, de Valera went over to Herr Hempel, the German ambassador, and offered his condolences. There is a great deal of controversy surrounding this issue, about whether or not that was the correct thing for Dev to do. What do you feel about it?

A: Oh well, I think he was right. I think it was more or less obligatory for a head of state to express his condolences at the death of another leader. I didn't like Hitler, or anything like that, and I didn't have any interest in meeting him or having anything to do with him, but yes, I think it was a reasonable thing for de Valera to do. The German ambassador, Herr Hempel, was an agreeable man. On the whole he behaved very well throughout the war. And so did Maffey, the British ambassador. Treading a very delicate line, you know. But both did it very well...

Q: What do you think the Emergency did for Ireland, in the grand scheme of things?

A: ...I think things started in Ireland during the Emergency have been successful. I think one of the things that

has been most successful was the Irish airline, Aer Lingus. Aer Lingus has been a great success. It has brought in competitors now, including Ryanair and all that lot.

Q: What are the things that stand out most in your mind about the Emergency period? What are your clearest memories?

A: Just how lucky we are. Absolutely lucky."

George Hetherington (1916-2001) and Douglas Gageby (1918-2004) were more than contemporaries. They were soul mates.

Manus O'Riordan

Editorial Note: Manus O'Riordan's series, *To Be Or IRB?* will continue in the March issue.

Book Review

How The Irish Press Was Financed

De Valera, Fianna Fail And The Irish Press is a title that most people interested in Irish politics, whether in Ireland or Irish America, would want to pick up from a bookshelf. As well as being relevant to the history of Irish newspapers, a hot topic given the subversive pro-British role exercised by the *Irish Times* since 1969, its subject is directly relevant to the story of the Irish national movement. Unfortunately the author, Mark O'Brien, a PhD graduate of the National University of Ireland who lectures in media studies in various Irish universities, is hopelessly unequal to his task.

This book, despite an interesting title, is actually another attack on the foundations of Irish nationalism masquerading as an academic investigation. Its first chapter, 'The Origins of the *Irish Press*', formed the basis of a television documentary by Steve Carson, shown last Summer on RTE television, a programme that purported to portray Eamon de Valera as a swindler of the American shareholders of the *Irish Press*. Mark O'Brien relies for his understanding of the bigger picture, in which de Valera was a key player, on a raft of revisionist writers: Tom Garvin, Brian Girvin, John Hutchinson, Ronan Fanning, Paul Bew, Henry Patterson, and Bruce Arnold.

He is also fortunate in having the backing of Tim Pat Coogan, a writer and commentator who presents himself as an opponent of revisionism and a leading nationalist exponent. Coogan wrote the Foreword for this book. It seems that in his desire to exact revenge on the de Valera family for their mismanagement of the *Irish Press*, he has chosen to join the ranks of the revisionists himself. With friends like Tim Pat, Irish nationalism doesn't need enemies.

The book was published in Ireland and America in 2001 by the Irish Academic Press. Critically it was well received without being over praised and many of its themes have since entered into the conventional view of what happened to

the *Irish Press*. If however we could subtract the revisionist mischief-making from his writing, Mark O'Brien's treatment of his subject is still unsatisfactory. As an expert in media studies he seems incapable of placing the material in any sort of political context. At crucial points he also fails to marshal the facts in a manner that assists understanding.

Despite all of this, and given the small number of books on the Irish media, *De Valera, Fianna Fail And The Irish Press* is worth looking at. It will give you the bones of the story of the *Irish Press* and throughout it contains useful nuggets of information.

In this review I will look mainly at the first chapter, since this is the part that has been used to do most damage on the national cause. The following is a summary in my words of O'Brien's treatment of Dev's US fundraising for the *Irish Press*. The story begins with de Valera's tour of the US in 1919, the purpose of which was to raise funds for the new unofficial Irish Government formed by Sinn Fein following its landslide victory in the 1918 General Election.

As the representative of that Government de Valera was a guest of Clann na nGael whose leading figures were: John Devoy, Editor of the most influential Irish paper in the States, the *Gaelic American*; Judge Daniel Cohalan of the New York Supreme Court; and Joseph McGarrity, Editor of the Philadelphia-based *Irish Press*. By February, the Clann had raised a quarter of a million dollars for the Irish Republic. Devoy and Cohalan saw this sum as sufficient but McGarrity and de Valera thought it too little. Dev's idea was to raise a loan based on a Bond issue of several million dollars. Devoy and Cohalan opposed the idea, fearing it would fall foul of the US anti-fraud laws, as the Irish Government was not officially recognised by the US Congress. Dev then proposed a scheme that would sidestep the law. By issuing Bond Certificates that could be

exchanged for real bonds when the new Irish state achieved international recognition, a large loan could be raised.

In setting about making the scheme a reality McGarrity found a bank in New York that could handle the money, and a lawyer, Martin Conbey, to iron out the legal difficulties. Conbey recommended that an independent legal opinion of the scheme should be sought. So de Valera went in search of a lawyer with the right connections. He found Franklyn Delano Roosevelt, a lawyer not only with impeccable WASP connections but with an understanding of political realities. Roosevelt duly wrote a favourable opinion of the scheme.

O'Brien quotes de Valera stating that the sale of Bond Certificates was based on a "*sentimental appeal and not an appeal to investors*". Dev had initially been dispatched to America to raise a million dollars. His high-profile tour promoting the Bond Certificates actually raised just over five million dollars. However the rift with Devoy and Cohalan caused de Valera in 1920 to form a separate Irish American organisation, the American Association for the Recognition of the Irish Republic (AARIR). A Committee to represent US citizens who had subscribed to the Dail loan called the American Bondholders Committee was also set up by de Valera. When he returned to Ireland in December 1920 he left three million dollars in several New York banks.

O'Brien takes up the story from here as follows:

"A year later, in August 1922, the Free State government led by William Cosgrave successfully applied to the New York High Court for an injunction to prevent the New York banks from handing over any of the money to de Valera or anyone acting for him. Concurrently, in Ireland the Cosgrave administration applied to the Irish High Court for a declaration that it, as the legitimate government of the Free State, was entitled to the £81,000 that was on deposit in Irish banks. De Valera, in his capacity as trustee, objected and argued that the money had been subscribed for the purposes of a republican government only. He was supported in his objection by one of the other trustees, Stephen O'Mara, and opposed by the third, Bishop Michael Fogarty of Killaloe, who along with most of the Irish banks supported the government. In July 1924, the High Court ruled in the government's favour. Although de Valera appealed to the Supreme Court, his appeal was rejected in December 1925 and the Irish banks subsequently handed the money over to the Free State government. Following this success, the government applied on the same grounds to the New York Supreme Court for a declaration that it was entitled to the money in deposit in the New York banks. De Valera again contested the action and galvanised better

support this time round. While the Bondholders Committee supported de Valera's assertion that the money was for the exclusive use of a republican government, the New York banks remained neutral and maintained that the money should be returned to the original subscribers. However, the case was not heard until March 1927."

The verdict in the case was that fifty eight per cent of the funds remaining in the New York banks was to be returned to the subscribers, the rest being deducted for administration costs. Dev was not dissatisfied with this result and he set about encouraging the subscribers to re-assign their refunds to him so that they could be invested in the *Irish Press*. A figure somewhere less than two-thirds of the subscribers took this option. O'Brien states that the exact number of Bonds transferred to de Valera for investment in the *Irish Press* has never been made public.

The decision to found their own national newspaper was made by de Valera and his followers in 1926. It followed a bid by Dev through Sean T. O'Kelly to get Clann na nGael to buy the *Freeman's Journal* titles which had ceased publication at that time. The Clann replied that supporting a paper which had been unable to pay its way would expose republicans to too much risk, that instead de Valera should try to induce William Hearst, an anti-British newspaper magnate in the US, to project an Irish paper. Dev rejected this idea because, according to O'Brien, he knew he could never fully control a paper that involved Hearst. So the 1926 Fianna Fail Ard Fheis voted to support the launch of a new national paper.

The supreme challenge of this enterprise, of course, was raising the necessary capital. O'Brien is annoyingly unclear on the details of the capital raised. At one point he refers to a statement from de Valera that the total capital required was \$1,250,000 or £250,000 (\$5 to a £1, rate of exchange). Dev set a quota of \$500,000 that needed to be raised in the States and £100,000 in Ireland. From this account it is unclear where the remaining £50,000 was to come from. It is equally unclear how the funds assigned to de Valera from the original 1919 bondholders are included in the figure for the total capital required.

Strangely enough it proved easier to raise the Irish than the US quota. It took many trips by Dev and his representatives to raise the \$500,000 in the States. But eventually sufficient capital for a launch in 1931 was raised. De Valera did not wish the US shareholders to have a say in the running of the *Irish Press* so he established a company in Delaware where he could exploit liberal regulations regarding company structure. He set up a company

called the American Corporation that had 60,000 non-voting 'A' shares owned by the US shareholders and 200 'B' shares that carried the voting rights. The voting shares were formally controlled by a separate holding trust that was administered by Dev himself and the Fianna Fail advocate and Irish diplomat Sean Nunan.

The presumption implied in everything O'Brien writes on this topic is that de Valera was hampered by a character defect that caused him to require total control over all his involvements. This need to control in turn involved him in highly questionable business dealings regarding the funds raised in the US for the *Irish Press*. But O'Brien omits an essential part of the story—the political context. Anyone with political experience, and an understanding of the predicament facing Irish supporters of the republicanism enshrined in the 1916 Proclamation during the difficult years after the triumph of Cumann na nGael, will have little difficulty in endorsing de Valera's actions in that period.

For example, was he wrong to disregard the conservative advice from John Devoy and Judge Cohalan regarding fund raising in 1919? By taking the action that he did, \$5 million rather than half a million was raised for the Dail. In that instance Dev emerges as an organiser of the first rank. And again was he wrong to have shares assigned to himself by the American bondholders when the US courts decided that the funds should be returned to the subscribers? At that time he had been through a number of court battles to retain funds that he had played a major role in raising, for the cause for which they had been intended—Irish republicanism. The experience of the conflict with the Free State Government would also have left him with a strong conviction that political institutions can be transitory.

And what about the manner in which he established the American Corporation? Was that not "*the most brazen concentration of power in the hands of one individual known to the newspaper industry anywhere in the Western world*", as the August 1978 issue of *Magill* described it? Actually it was comparable to the concentration of power granted to the owner of the *Irish Times*, Major Thomas McDowell, in 1974, but *Magill* has very little to say about that. Politically, would it have been prudent to allow an unpredictable element, the American shareholders, leverage in the control of the *Irish Press*?

Academic writers like O'Brien seem unable to appreciate how the creation of new national institutions that would change the course of history required bold initiatives from the republican opposition to the Free State. De Valera could not look

to the banking or legal systems for support. There was no middle class that could bankroll projects like founding a new party or a new national paper. Even politically there were few politicians he could trust. In 1919 he won the support of Joseph McGarrity, but McGarrity disagreed with his split with Sinn Fein and the formation of Fianna Fail. When it is considered that the destiny mapped out for the Irish state and economy in the 1920s was to be no more than a source of agricultural goods for the British market, something of the achievement of de Valera as a nationalist leader can be appreciated.

Regarding Dev's personal defects it is notable that the judgements applied to him are not applied to other leaders like Daniel O'Connell and Charles Stuart Parnell. Both of these exhibited character traits that had adverse effects on the movements they led. But for O'Connell and Parnell the weaknesses, while they may be mentioned (and more often they are not), are never allowed to detract from the political contribution that both leaders made. Not so with Dev. He demonstrated how Irish republican aims could be achieved against the odds, so his reputation must be tarnished in a way that discourages investigation.

There are of course questions that need to be asked about de Valera's management of the *Irish Press* and also about the role of his son Vivian. The revisionist onslaught as exemplified by O'Brien's book predisposes us against a critical treatment of the de Valeras but the eventual collapse of the *Irish Press* group dictates otherwise. If we are to learn the truth about Dev's paper and its legacy we will require a different treatment of the story than that provided by Mark O'Brien. We require a telling of the story that is political but free from the wishful thinking and obfuscation of the anti-national camp.

David Alvey

Speak English!

"Some countries got this wrong where they just had different nationalities all over the place, with Chinatowns all over the place, where east and west never met... Ideally, everyone living in Ireland should be able to speak English. It is easier to avail of services, it's easier to integrate."

(Seamus Brennan,
Social Affairs Minister,
Sunday Independent, 31.12.06)

Shorts

from

the Long Fellow

THE HOUSING MARKET

Tucked away in the relative safety of *The Irish Times* business pages (28.12.06) was a very interesting article on the housing market. UCD economist Morgan Kelly thinks that property prices in this country could drop relative to income by 40-50 percent. If property prices decrease by 5% a year, inflation is at 3% and real incomes increase by 2% then in 5 years prices will have fallen relative to income by 50%. But it is clear from the article that the latter is a relatively benign scenario. It is much more likely that there will be a more sudden correction as owners of vacant properties scramble to minimise their losses.

Kelly demolishes the arguments of the "soft landing" proponents. House prices have risen by 30% more than income since 2000 (when the housing boom was well underway). Nor can the housing boom be explained by rising population or a housing shortage. If this were the case, rents would also have risen. But rents have fallen relative to income since 2000. Also as this Column has pointed out one in six housing units in this country are unoccupied compared to one in thirty one in the UK. There is no doubt that the boom has been driven by cheap and available credit and the era of cheap credit is coming to an end.

The dependence of the economy on housing leads Kelly to make this startling comment:

"In Ireland, if and when the fall occurs, it will be from about 18 per cent of national income. We could see a collapse of Government revenue and unemployment back above 15 per cent."

That is one scenario. But many of the people working in the building industry are east Europeans. What if they leave following the downturn? It will put less pressure on our social welfare system, but we will be in a downward spiral of consumption, falling rents and an increase in vacant properties. We are in uncharted territory because we have never had such a mobile work force.

For the last twenty years this magazine has advocated property taxes on both economic and equity grounds, but none of the Opposition Parties have dared advocate such taxes as a means of avoiding the property bubble which we now have. Therefore they are not in a position to make political gains if the downturn happens.

THE FRENCH ECONOMY

Ireland has followed the Anglo-American model of low taxes and low public expenditure. A much higher proportion of our taxes are indirect consumption taxes (such as VAT) as opposed to direct taxes such as Income and Corporation Taxes. We tend to follow the economic cycle of the Americans and British rather than the continental Europeans. Indeed our economic model means that what is good for the Continent tends to be bad for us.

So it is with mixed feelings that this Column notes a modest recovery in the French economy. Since Dominique de Villepin succeeded Jean Pierre Raffarin as Prime Minister in February 2005 unemployment has dropped from above 10% to 8.7%. Much of the credit must go to the Employment Minister Jean Louis Borloo who is on the left wing of the UMP, the ruling Gaullist party. GNP increased by 1.2% in 2005 and 2.1% in 2006 (*Le Monde*, 30.12.06). The modest recovery in both the German and French economies will allow further interest rate increases in 2007.

FRENCH POLITICS

It is with unmixed feelings that the Column notes recent opinion polls showing that the pro-American Nicholas Sarkozy has closed the gap on Segolene Royal. Indeed one opinion poll gave Sarkozy the lead. This is no surprise. Sarkozy stands for something, which is more than can be said for Royal. The only chance of a Royal victory is if the UMP splits and returns to Gaullist principles, but that prospect has receded with the withdrawal of Defence Minister Michele Alliot-Marie from the contest, although the Prime Minister Dominique de Villepin has not given his support for Sarkozy.

The column is disappointed that Jean Pierre Chevenement has declared his support for Segolene Royal. The present writer respects Chevenement who resigned from the Mitterrand Cabinet following France's support for the first Gulf War in the early nineties. Chevenement campaigned against the recent constitutional referendum, but it looks like, in the absence of an alternative, he is supporting Royal as the lesser of two evils. At present no credible left-wing alternative has emerged.

BONO AND NATIONAL IDENTITY

After Cowan's 2006 Budget Bono moved his money to the Netherlands and after he was honoured by the Queen he gave his allegiance to Britain (or is the causal relation in the opposite direction in the latter case?). The present writer is not surprised. The overwhelming impression given by a recent book on Bono by Michka Assayas is one of rootlessness. For example, Bono says he was in O'Connell

Street when the bombs went off in 1974. But he doesn't make sense of it. It was just another event.

There was a Letters' Page discussion in *The Irish Times* about the honour bestowed on him. One correspondent wondered what the problem was. Sure the national flag is green and orange symbolising that we are both Irish and British. This nonsense could be dismissed if it were not representative of an element of establishment thinking as evidenced by the 1916 Rising being celebrated alongside the celebration of the political opposite (the Somme).

Whether one calls the Protestants in Northern Ireland a separate nation, community, or ethnic group, they are a political reality, which cannot be ignored. In general Fianna Fail, or at least Eamon de Valera and Charles Haughey recognised this reality. The approach of Haughey to the New Ireland Forum in the early 1980s was for Nationalists to have a united front in negotiations with Britain. FitzGerald, on the other hand, saw it as an opportunity to pretend that there was not really much difference between us and the Unionists and almost felt he had to apologise to Thatcher for Haughey's interventions.

The Irish State was founded on a foreign policy as enunciated by Roger Casement and James Connolly. (Casement prophetically saw Britain as an obstacle to our true destiny, which was an alliance with Continental Europe.) This foreign policy was in support of Germany and in opposition to the imperialist project of Britain during the First World War. The 1916 Rising, the 1918 Election and then the War of Independence were the events that enabled that policy to be implemented. To pretend otherwise is to invite political and cultural incoherence.

It is possible that a United Ireland might happen by making political arrangements to accommodate the Unionists, but to pretend that there is no difference between the Republic and Unionists is to encourage a return to the British sphere of influence and to abandon the principles of the national revolution.

IRELAND'S NAZIS

No doubt the *Irish Political Review* will deal in more detail with the RTE *Ireland's Nazi's* TV programme, which at the time of writing is involved in a legal dispute with Albert Folens's widow threatening the broadcast of the second part of the series.

In the first part presenter Cathal O' Shannon firmly nailed his colours to his ideological mast when he said that he joined the RAF when he was 16 and was not made feel welcome when he returned to Ireland. On the other hand he claimed that the Nazis were made welcome after the Second World War.

To say the least, the programme was

less than convincing and it now emerges that attempts to link de Valera with a pro-Nazi policy are in tatters. One of the contributors (Dan Leach of the University of Melbourne) has revealed that he was misrepresented.

The advice that de Valera gave to a Breton to keep his alias in order that the Taoiseach would not have to lie to the French Government applied to a moderate Breton nationalist leader, Raymond Delaporte and him alone, and not Celestine Lainé as the programme implied.

The programme also succeeded in misrepresenting Celaine Lainé. Lainé was the political leader and driving force behind the Bezen Perrot, but he was not its field commander and never personally tortured nor executed anyone. It is true that the unit itself is alleged to have executed and tortured Resistance fighters, but no one has ever found any evidence that Lainé himself was involved in this as the programme implied.

Reflections On Palestine

continued

Thatcher's dictum: *"there is no such thing as society, only individuals and their families"*. These observations were not confined to the great metropolis of Tel Aviv, but were everywhere I went, including Jerusalem and the beautiful city of Haifa.

The condition of the Jews in Israel came as a shock to me particularly as I have lived among Jewish communities in London and had entirely different experiences there. In South Tottenham I found Jews to be integrated in the same way as the Irish are integrated. They still retain their own culture and are generally a jolly and sociable lot. Like the Irish, they are disproportionately involved in local politics—especially left politics.

I have also lived in Stoke Newington in the middle of the Hassidic district. These have an extremely coherent community, while still rubbing along well enough with everyone else. I have had a lot to do with the public charitable side of the Reformed Synagogue in Stamford Hill, and society certainly existed among the friends and acquaintances I made there.

I was told that Tel Aviv was a vibrant party city. I found it a bit of a wasteground in the daytime—with office workers racing around between architectural monstrosities and down-at-heel apartment blocks. I wasn't there in the night but, on enquiring, was told that the party was largely drug-fuelled and that there is a serious drug problem throughout Israel.

The first time I was processed through

a checkpoint it was obvious to me that several of the soldiers, especially the older, and I presume more permanent, ones were, as they say, out of their faces. This impression was reinforced every time I had dealings with the Israeli Army—and that was pretty often.

Before I went there I had been aware for many years that the place was a major centre for drug trafficking. While there, I was told that it was second only to Dubai for its involvement in sex-trafficking from Eastern Europe. Certainly, I've never seen anywhere where pornography was so much in your face.

Without making any moral point about either prostitution or pornography, the extent of it there was so great that I felt it must reflect a very extensive atomisation of the society.

Until relatively recently, I believe, that the Israeli project, like it or not, was a highly idealistic project. My impression is that this idealism is almost gone. The Kibbutz movement is on its last legs. And I think that Sharon's coma is extremely convenient, as he and his family stood accused of corruption on a grand scale.

I had planned to visit Jewish settlements but ran out of time. But what I was told about them was very interesting. A minority were inhabited by settler types, especially Americans, who wanted nothing less than to drive the Arabs across the River Jordan. The rest were dumping grounds for those Russians who didn't manage to make it to America.

Indeed it is doubtful if most of these are Jewish at all. Certainly Orthodox churches which were previously empty are now packed to the rafters. So there may be a lot of Christian settlements in the West Bank—and not at all the kind of Christians that the US Christian Right would approve of or that might be expected to do its bidding!

I didn't meet anyone in the West Bank who thought that a "two-states" solution was possible, even if it was desirable. Geography, or rather political geography, alone rules it out.

The West Bank itself is small enough. Now the Wall on the West side has cut a large slice away. While to the East along the Jordan River is an occupied zone several kilometres wide. Here permanent farms have been established by agribusinesses in what is now established Israeli territory. Jericho, theoretically under Palestinian control, is in the middle of this and cut off from the outside world, i.e. from both the West Bank and Jordan, and accessible only through Israeli checkpoints.

The present system is the result of the Oslo Agreement which is seen by everyone I met as the root of most evils. The West Bank is divided into three types of Area. Areas A were to be under Palestinian

Authority control, Areas B under joint control, and Areas C under Israeli control. Areas B are in fact under Israeli control also. It is not possible to travel from one Area A to another, or to an Area B, without passing through an Area C. The checkpoints are never fully manned, so the process is extremely slow—especially at times when people are going to and from work.

For example, those Palestinians with special permits to work in Jerusalem have to start queuing at the Bethlehem checkpoint at 4 AM. Bethlehem is about 5km from Jerusalem!

Another example is the large university in Nablus. Many of the students come from surrounding villages and towns. But they have to go to the expense of finding lodgings in Nablus or face four to six hours a day at the checkpoints, assuming these are not arbitrarily closed by the soldiers. These checkpoints have airport type security with metal detectors and baggage conveyors.

It has become an almost everyday occurrence for people to be shot on suspicion at these checkpoints—especially youngsters between 12 and 14, for some reason. *"He looked like a suicide bomber"* is the accepted and sufficient excuse.

Most of the Arabs I spoke to, both Christian and Muslim, were members of Fatah or its associated organisations. All but two of these had voted for Hamas at the last election and detested Abbas. The disintegration within Fatah is illustrated by the fact that in the last election seven seats in Bethlehem were contested by twenty-one "Fatah" candidates.

Great displays are put on by the Fatah-led police and army (which is supposed not to exist) whenever an official is on the move. These are not security-related, they are a bit of a shambles. But they give an aura of importance to officials and reinforce the feeling of loyalty in the security force. It is in this context that the formation of a military force by Hamas has to be seen—Hamas is after all the elected Government! (I will say more about the internal politics next month.)

When the Israelis make their incursions the Palestinian police are no longer to be seen. It is not that they are cowardly or completely incapable, but they are reined in by their leaders. I remembered when Arafat returned and refused to do the Israeli's bidding—i.e. suppress militants, especially Hamas—the Palestinian police gave a good account of themselves and put the Israelis to flight, until the tanks arrived.

After that it was the Palestinian police rather than the militias who became the main targets for killing. The first sight one sees entering Ramallah or Nablus is a huge pile of rubble. Palestinian barracks destroyed by F16 bombers—the use of which in such circumstances is yet another

breach of the international laws of war.

Areas A are of course reminded nightly that they are not really autonomous, as the Israelis raid them, arrest people, and shoot up the towns.

An immediately obvious problem on the Palestinian side is the absence of effective armaments. Every tupenny-halfpenny guerilla group in the world has at least a few rocket launchers and heavy machine guns. The Palestinians do not and so have no defence against tanks and helicopters.)

Settlements exist all over the West Bank and continue to be built. These are not small affairs but can house 30-40,000 people. They surround the Palestinian towns and are usually built on hilltops. (There are also the military settlements.) In the case of Bethlehem they surround the city except for a gap towards the desert—with all that that implies.

They are also being incorporated into Greater Jerusalem, which is now officially a part of Israel—indeed its Capital.

Connecting the settlements is the main road system, paid for by the Americans, under the Oslo Accords. These roads are lined with electrified fences and almost all are barred to Palestinian traffic. Arab territory is therefore a series of isolated districts surrounded by Israeli-settled and controlled districts, and only accessible to each other through roadblocks and checkpoints. And they are reminded nightly of their vulnerability.

East Jerusalem has been annexed and incorporated into Israel.

This mess is what is supposed to form the second "state" in the "two-states solution". The Arabs I met cope with Israeli occupation and even make jokes about it. But they get really angry at any mention of the "two-states solution". The Israelis are an observable enemy. The "two-states solution" is mocking them.

Conor Lynch

TO BE CONTINUED

Kingdom of Evil

A Flag Blacker than Black

by B. Michael

Yedioth Ahronoth, January 12 2007

Next Friday, January 19, 2007, if the High Court of Justice does not save us from the shame in time—the most disgraceful regulation that the military dictatorship in the territories wishes to inflict on its subjects, and on all the citizens of Israel, will go into effect. On this day, so orders OC Central Command Maj. Gen. Yair Naveh, Israelis will be forbidden to drive Palestinians in their cars, throughout the West Bank. Anyone who wishes to transport a Palestinian will be forced to ask for a permission slip from the clerks of the occupation.

The feeble, time-worn, false excuse is, as usual, security.

Nonsense... this racist regulation is no more than another bolt, a particularly repulsive one, in the machine that is engaged diligently and efficiently in stripping the Palestinians of their human dignity, isolating them, separating them, trampling them and grinding the remnants of their rights into dust.

The details of the Naveh regulation should be presented accurately: It does not deal with the prohibition to transport Palestinians into the State of Israel. The entry of Palestinians into Israel has been forbidden for a long time, in any way, shape or form. It also does not seek to prevent attempts to "smuggle" Palestinians into a settlement, heaven forefend. After all, they are forbidden to enter there too. Maj. Gen. Naveh simply wishes to forbid any joint travel. Including a social gathering inside the West Bank. Or helping a friend transport a load of goods to his home. Or just a trip. Even a 200-meter drive to a coffee shop in order to sit together and talk. And needless to say, a joint ride to a demonstration against the occupation, or to any other threatening event of rapport and reconciliation, will be forbidden from now on.

There are, of course, exceptions: The feudal lords from the settlements will be able to continue to drive their native slaves to their places of employment. After all, it

is unthinkable that the comfortable routine of the masters should be disturbed. ... even the word "apartheid" is too moderate to describe this abomination. from our own experience. We can also be alarmed by our history and the history of our forefathers, learn from it and draw conclusions and morals...

My forefathers were also forbidden to travel with the members of the ruling nation in the same car. My forefathers were also barred from using means of transportation, save for the purpose of reaching their job with the rulers. My forefathers were also barred from moving around, working, studying, healing, vacationing or worshipping their God, unless the ruling masters had granted them permission.

And now I hold the order of OC Central Command, stare at it with helpless eyes and a contracted stomach, and read:

Palestinians are forbidden to travel in cars with Israelis.

Palestinians are permitted to drive in an Israeli car only for the sake of reaching their job.

Woe is the shame. Woe is the disgrace. Woe is the short memory. Woe is the Judaism that thus tramples itself to the ground.

A flag blacker than black marks this order. And every civilized person and every law-abiding person must beware of obeying it. For it is not only patently illegal, it is also malignant.

Barnado And The White Commonwealth

Barnado And The White Commonwealth The Michael Stack Column in January Irish Political Review mentioned the role Dr. Barnado's orphanages in exporting children to the colonies. Madame Despard (1839-1939) played a curious role in checking on this project.

Charlotte Despard (nee French) was the sister of Lord French, a Theosophist, vegetarian, Roman Catholic convert, suffragette, Communist, Irish Republican sympathizer. In late 1894 she was elected the Guardian for Vauxhall to the Board of the Lambeth Poor Law Union. Joining the Social Democratic Federation, she was a delegate to the International Socialist Workers' Trade Union Conference in London in 1896. Like other local authorities in the late 19th and early 20th century, Lambeth authorised the emigration of pauper children from inner city London to the Colonies where, hopefully, they would find a home, an education and an apprenticeship. However there was continuing concern among activists in the labour movement and Canadian Trade Unionists that children

sent to Canada were not receiving the benefit promised and were being used as a source of cheap labour. In the Summer of 1902 Charlotte Despard went to Canada to "see what had become of the Lambeth boy paupers sent there as farm apprentices under the aegis of Dr. Barnado's junior emigration scheme". The Catholic Emigration Society performed a similar role, and there was a similar concern about the conditions for the orphans it sent to the Colonies. Charlotte Despard also examined how they were treated in their new country. These were her findings on the work of the two Societies:

"She approved of its [the Catholic Emigration Society—ED] elaborate system of enquiry and inspection, which meant that the children emigrated under its auspices found healthy, caring homes, where they had a real chance of an agricultural training. Moreover, the Catholic children were always placed within reach of a church, a place of refuge and a 'court of appeal' in case of need, and no children were sent to the far west.

"The same could not be said for the Dr. Barnado' organization. Although the formal part of the business was well done, the Barnado's agency in Toronto was a 'very poor place'. Some of the Lambeth boys were living very far away from school; some had been moved from

place to place two or three times; and one had been lost sight of altogether. When she [Charlotte Despard] ventured to the farms in the west she found more to depress her. Here, the households were often a hundred miles apart and at one farm her buggy driver spontaneously commented that 'he would not have placed a boy in such a home'. There was no support network and little chance of schooling: 'One must not forget in considering the case of our child emigrants to the Far West, the awful loneliness of those scattered farms in the long Canadian winter.'

Dr. Bernardo himself, two years earlier, in 1900, had found nothing to complain about when he checked on the condition of his boys in a well-publicised visit:

"He met with a thousand of the 10,000 young people who had passed over his 'Golden Bridge' to the New World. He met only with 'well grown, stalwart, muscular fellows, bronzed and bearded and altogether so changed that I usually quite failed to recognize in them the puny, half-starved, homeless waifs that had come under my care in England, twelve, fifteen or twenty year before.'"

That glowing account conflicted with what Madame Despard found:

"Mrs. Despard heard a number of complaints about the physical and moral condition of the Lambeth children, and their 'habits': 'This seemed rather strange to me when I remembered the care that had been taken in selecting these children, and the healthy appearance they had presented when they bade us farewell.'

"The Lambeth Board received Mrs Despard's report with thanks, and it was agreed that future pauper export schemes should only be undertaken by agencies with standards of inspection that matched those of the Catholic Emigration Society" (pp56-57, *Charlotte Despard: A Biography* by Margaret Mulvihill, 1989).

Incidentally, the huge numbers of Barnardo orphan sent to Canada is highlighted by the following fact: "A tenth of all Canadians are thought to be descended from a Bernardo's child. These boys and girls, some orphans, others from impoverished families, were sent abroad to start new lives as agricultural labourer and domestic servants" (*Join Voyage Of Discovery To Track Down Ancestors*, by Nicola Woolock, The Times, January 10, 2007).

Eamon Dyas

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No Need For Needle Search In A Hay Stack

In the *Does It Stack Up?* Column in December's *IPR* there is the following note on the founder of Barnardo's Children's Charity:

"Dr. Thomas John Barnardo was born in Dublin in 1845 and was educated in a protestant school, but at the age of 16 "converted to Protestant evangelicalism", went to Victorian London and founded his charity in 1867."

But then comes the following proposition regarding Barnardo and Son, Furriers: *"It was usually Jews who were furriers and it would make a good item for research to see if there is a linkage here"*.

It is difficult to understand the creation of such an air of mystery, suggesting that somebody needs to knuckle down to the hard work of searching for a needle in the hay stack in order to then determine whatever blood group it might contain. There is no need for any mystery. A simple Google search will in a flash explain that Thomas's father, John Michaelis Barnardo, immigrated to Dublin from Hamburg in 1823 and established his furrier business in Dame Street. He married Elizabeth O'Brien in 1827, but following her death he also went on to marry her sister Abigail O'Brien in the German Protestant Church in London in 1837. Thomas was born a ready-made Protestant in 1845, even if he was to be 'born again' 16 years later.

In all likelihood, the Hamburg background of the Protestant John Michaelis would indeed have been Jewish. If so, Thomas himself was kept in the dark about it. His virulent anti-Catholicism was grounded in an evangelical Protestantism that also viewed Judaism with antipathy.

All Christian traditions (with the Lutherans to the fore) have had a history of anti-Semitism. In my Catholic primary school of the 1950s I learned by rote the Catechism answer: *"Pontius Pilate the Roman governor condemned Christ to death, at the desire of the Jews"*. And, of course, the Good Friday rituals had always incorporated a denunciation of the *"perfidious Jews"*, until this was put a stop to in the 1960s by Pope John XXIII. And I could see the other benign effects of Pope John's legacy also being gradually implemented. In my Christian Brothers Secondary School in the mid 1960s we studied a manual of Catholic social teaching written by a Father Cronin, who gratuitously informed his readers that Karl Marx had come *"from a long line of Jewish Rabbis"*. Marx's father had in fact converted to Christianity and Karl himself had been baptised from the very outset. The challenge indeed is to marshal suffi-

cient arguments as to why Marx himself should not be considered anti-Semitic. Yet within years, while attending University College Dublin in the late 1960s and undergoing my own personal transition from Catholicism to Marxism, I could see the impact of Pope John at work. The UCD Political Philosophy Department was dominated by two priests, Father Conor Martin and Father Fergal O'Connor, and one Opus Dei activist, Dennys Turner, and yet what one got from all of them was a straightforward exposition of Marx's philosophy free from any preoccupations with his bloodline.

Protestant antipathy towards Judaism had been no less pronounced than its Catholic counterpart. Elizabeth Bowen was to make a passing reference to her own aunt's harassment of Dublin's Jewish community:

"My mother's brothers and sisters, for different reasons, gravitated to England or even further abroad. Only Aunt Maud, at that time occupied with the conversion of Jews in Dublin, and other interests, remained for some time in lodgings at the other side (from us) of the canal." (*Bowen's Court*, p406).

No more than their Catholic neighbours, Jews had no great liking for any campaigning 'souperism' in their midst, and there were several police reports of violence against Jewish Protestant evangelical converts who dared to preach Jesus to their *"lost brethren"* on Dublin's Jewish streets.

There remained a pronounced Protestant bigotry against those Jews who were unwilling to convert, especially when respectability demanded it. One Jewish antique dealer who steadfastly refused to become a Protestant was William Sinclair. His wife Cissie Beckett, aunt of the playwright, was in turn also ostracised by practically all of the Beckett family, bar Sam himself, for marrying a Jew under such circumstances. The loyal Dublin Protestant respectability of the Becketts was further insulted when, as Irish Republicans, Cissie and William Sinclair went on to play an important role as members of the Sinn Fein leadership's network during the War of Independence. Disappointed by the character of the post-Treaty Free State, the Sinclairs decided to emigrate to Germany. The embarrassment of the Dublin family was, however, to be even more scandalously compounded when Samuel Beckett defied his parents' wishes and went to Germany to visit the Sinclairs in 1928, only to fall madly in love with his half-Jewish cousin Peggy in 1928, a passion sustained until her death from TB in May 1933. At that critical juncture, due to Hitler's rise to power, Cissie and William Sinclair also needed to relocate back to Dublin.

I became a convinced and professing

atheist from 1969 onwards. But an abiding love of good Church music will more often than not see me spend Christmas Eve successively moving between the carol service in the Protestant St. Patrick's Cathedral and the midnight High Mass (preferably one composed by Mozart) in the Catholic Pro-Cathedral. I vividly remember one sung Mass that I attended in the Summer of 1989 which was, however, completely different from any other church experience. It was not unreasonable for me to assume at that point in time that religious anti-Semitism had long since died out. Consider my surprise then, at the priest's sermon and the character of the Christian triumphalism that it expounded. Christianity was to be celebrated as representing "*the annihilation of the Jewish cult*". Yes, these were the exact words she used. Yes, I said *she*, for this was not a Roman Catholic but an Anglican priest preaching at a beautifully-sung High Church Mass in a Church of Ireland parish. That woman priest, formerly an RTE journalist, brought home to me with a vengeance how, in Dublin 4, Protestant evangelism was still alive and kicking in all its ugliness.

Manus O'Riordan

Kipling, Connolly And The Kaiser

William Ernest Henley isn't much thought on these days. Even with exhortations from Blair's backroom boys and Brown's to look warmly on the Empire and stop apologising for it but rather knuckle down, buckle up, and work to rebuild the glory of it, he's one old Imperialist who hasn't yet made it into New Labour's Pristine Pantheon of Our Well Beloved Dearly Deceased. So, it's maybe best to say something of who he was and what he represented.

He was a model of his sometime friend Stevenson's Long John Silver. And the author of *Invictus* (Lat. unconquered), that hymn of muscular Christianity (or Darwinism, or Social Imperialism, take your pick for they're all much of a mishmash), the poem which ends:

It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate:
I am the captain of my soul.

And he was Editor of, among other mags and rags, the *Scots Observer*.

Well, it is said of W. E. Henley and him editing away at his *Scots Observer* in the Winter of 1890, that he then received the manuscript of the first of Kipling's *Barrack Room Ballads*, the incomparable *Danny Deever*. And further said that, having read it, he stood up and danced peglegged around the room.

Which is where we must leave old Billy, goat-ecstatic in his dance. And move on to the great Victorian Milton scholar, Professor Masson.

Henley published *Danny Deever* in his issue of February 22nd., which is where and when James Masson, Professor of Rhetoric and English Literature at Edinburgh University, first read it. And having read it he burst into a lecture room full of undergraduates waving the magazine and shouting: "*Now we have it, here's literature at last!*"

And he was right. Sure and true it was that England had literature and lots of it, from way back. And Britain too had a long literary heritage. But Greater Britain had no literature until *Danny Deever*. With *Barrack Room Ballads* Greater Britain had made its mark. The Empire then had its literature too. At last.

Until then the Empire had gone along well enough without any literature. The ruling class which had handled things very

competently for long enough in the argot of the Upper Fourth Remove had no need of complicated literary folderol. But the middle classes, whose enthusiastic participation had become crucial to the Empire's functioning, aspired to something more like an argot of the senior common room. They craved a literature and responded mightily when Kipling gave it to them. No sooner craved than granted (by some indulgence of the infinite, I'll be bound).

A literature that did not blue-pencil harsh truths of the barrack room and battle field but gloried in them knowing it was the discipline of blood and sacrifice that alone would reconcile East and West (under the Queen, God Bless Her!). A literature that called from the God of our fathers, Lord of Hosts, to the chapels and meeting-houses of home and colony. And spoke of the White Man's Burden. That is what Kipling gave them. They gulped it whole and begged for more.

In 1897 Kipling, in his great hymn to the Empire's wonderful awe-inspiring humility in the sight of its God, warned it against the hubris of "*valiant dust that builds on dust, And guarding calls not Thee to guard*". But the Empire didn't listen to him. And though he wrote *Recessional* in the full possession of his faculties somehow he didn't listen to himself.

What the Empire did listen to was a too clever by half scheme that aimed to suck its great economic rival Germany into a European war and destroy it. And Kipling was part of the propaganda of the plot. He wrote much and many in prose and verse that served to forward the plot. At the core of it was *An Imperial Rescript* which was published in 1890, two years after a speech by the new Kaiser which made plain the Beastly Hun's intent to wage unceasing war against Human Civilization. Against all that Foulness Kipling argued the case for plain human decency.

NOW this is the tale of the Council the German Kaiser decreed,
To ease the strong of their burden, to help the weak in their need,
He sent a word to the peoples, who struggle, and pant, and sweat
That the straw might be counted fairly and the tally of bricks be set.

The Lords of Their Hands assembled; from the East and the West they
drew—
Baltimore, Lille, and Essen, Brummagem, Clyde, and Crewe.
And some were black from the furnace, and some were brown from the
soil,
And some were blue from the dye-vat; but all were wearied of toil.

And the young King said:—"I have found it, the road to the rest ye seek:
"The strong shall wait for the weary, the hale shall halt for the weak;
"With the even tramp of an army where no man breaks from the line,
"Ye shall march to peace and plenty in the bond of brotherhood—sign!"

The paper lay on the table, the strong heads bowed thereby,
And a wail went up from the peoples:—"Ay, sign—give rest, for we
die!"

A hand was stretched to the goose-quill, a fist was cramped to scrawl,
When—the laugh of a blue-eyed maiden ran clear through the council-
hall.

And each one heard Her laughing as each one saw Her plain—
Saidie, Mimi, or Olga, Gretchen, or Mary Jane.
And the Spirit of Man that is in Him to the light of the vision woke;
And the men drew back from the paper, as a Yankee delegate spoke:—

"There's a girl in Jersey City who works on the telephone;
"We're going to hitch our horses and dig for a house of our own,
"With gas and water connections, and steam-heat through to the top;
"And, W. Hohenzollern, I guess I shall work till I drop."

And an English delegate thundered:—"The weak an' the lame be
blowed!
"I've a berth in the Sou'-West workshops, a home in the Wandsworth
Road;
"And till the 'socation has footed my buryin' bill,
"I work for the kids an' the missus. Pull up? I be damned if I will!"

And over the German benches the bearded whisper ran:—
"Lager, der girls und der dollars, dey makes or dey breaks a man.
"If Schmitt haf collared der dollars, he collars der girl deremit;
"But if Schmitt bust in der pizness, we collars der girl from Schmitt."

They passed one resolution:—"Your sub-committee believe
"You can lighten the curse of Adam when you've lightened the curse
of Eve.
"But till we are built like angels, with hammer and chisel and pen,
"We will work for ourself and a woman, for ever and ever, amen."

Now this is the tale of the Council the German Kaiser held—
The day that they razored the Grindstone, the day that the Cat was
belled,
The day of the Figs from Thistles, the day of the Twisted Sands,
The day that the laugh of a maiden made light of the Lords of Their
Hands.

And there it is then. Sanctified in its very own Literature. The
secret of the social plan of the greatest Empire the World has ever
seen. On which the Sun would never set.

"The weak an' the lame be blowed!"

So it was when the Empire was at its height and the notes of
the nouns of its praise resounded from Apogee to Zenith. So it is
in these latter days of a wilting West.

What was it then the Kaiser actually proposed that set Greater
Britain and its Poet to such a fearful tizzy? Put as briefly as
possible, nothing much. Just the fair foundations of a Welfare
State. What word did he send to the peoples, who struggle, and
pant, and sweat. Well...

But first, some context. On January 18th., 1871, in the Hall of
Mirrors of the Palace of Versailles (the recent Franco-Prussian
War having ended somewhat to the disadvantage of the French),
King Wilhelm I of Prussia was proclaimed Emperor Wilhelm I of
Germany. The power behind both Throne and State was Chancellor
Prince Otto von Bismarck.

Bismarck had a problem with the growth of the German Social
Democratic Party. So in 1878, after there were a couple of failed
attempts to assassinate Kaiser Wilhelm, the Chancellor pushed a
series of anti-Socialist Laws through the Reichstag. These banned
any group which tried to (or even worse succeeded in) spreading
Socialist ideas, suppressed Socialist newspapers and magazines
and outlawed Trade Unions. But the Socialists were up to all of
that. The German Constitution allowed unaffiliated candidates to
run as independents, which is what the SPD had its people do,
with increasing success. Papers and magazines were produced
abroad. The best propaganda within Germany was the entirely
legal publication of Reichstag speeches by the SPD's Independents.
And German Social Democracy grew.

So Bismarck had second thoughts. If you can't quite beat
them, he thought, don't quite join them. And Bismarck then
became a sometime State Socialist. In 1890 he explained himself
to the American historian William H. Dawson:

"My idea was to bribe the working classes, or shall I say, to
win them over, to regard the state as a social institution existing
for their sake and interested in their welfare. It is not moral to
make profits out of human misfortunes and suffering."

"Life insurance, accident insurance, sickness insurance should
not be the subjects of private speculation. They should be carried
out by the state or at least insurance should be on the mutual
principle and no dividends or profits should be derived by private
persons."

In its aspect as a Government-sponsored development German
State Socialism began in 1883 with the passage of the Health
Insurance Act. A year later came Accident Insurance. Old Age
Pensions and Disability Insurance were put in place in 1889. The
new Kaiser put Bismarck out to pasture in 1890 but, with German
Social Democracy continuing to grow, German State Socialism

just kept on keeping on. In 1892 workers' families were included
in their insurance cover. And from the beginning the insurance
funds, which were organised on trade and vocational lines, were
administered by boards on which workers' representatives made
up two thirds of the members. The funds were very heavily
subsidised by the state and so unlikely of themselves to have
given rise to substantial industrial democracy in the immediate
future but, absent apocalypse now and apocalypse again twenty-
seven years later, there is no telling what heroism the example and
the experience might have led to.

Now then, the first German Emperor, Kaiser Wilhelm I died
on March 9th., 1888. His son Frederick succeeded him. But
Frederick III was already dying of throat cancer. So a couple of
months later, on June 15th., his son succeeded him as Wilhelm II,
King of Prussia and Emperor of Germany. That was the year of
the three Kaisers.

On June 25th., at the opening of the Reichstag the new Kaiser
pledged himself to continue the state socialist policies of his
grandfather:

"In the legislation of the Reich, according to the constitution,
it is my duty to act more in my capacity as king of Prussia than
as German Kaiser; but in both roles it will be my endeavour to
continue the work of the legislation of the Reich in the same way
as my late, revered grandfather began it. In particular I adopt in
its entirety the declaration issued by him on 17 November 1881,
and I shall continue to work in the spirit of this declaration, to
ensure that the legislation of the Reich strives further to give the
working population the protection that it is able, in accordance
with the principles of Christian morality, to provide for the weak
and the oppressed in the struggle for existence. I hope that in this
way we shall succeed in bringing closer the elimination of
unhealthy social differences, and I am confident that in my care
for the internal well-being of the nation I shall receive the
unanimous support of all true adherents of the Reich and of the
federated governments, support undivided by party differences."

Wilhelm soon broke with Bismarck over the Chancellor's
attempts to have the anti-socialist laws extended and made
permanent. Shortly before being forced to resign Bismarck, in an
attempt to curry favour, suggested that the Kaiser preside over a
European Labour Council to discuss working conditions. The
Kaiser took the suggestion very much to heart (in his *Memoirs*
written after Germany's defeat and his overthrow he denied
Bismarck's part in its genesis). This was the Berlin Social Congress
which Kipling felt impelled to attack.

The message from Wilhelm and Bismarck which invited
European leaders to Berlin raises an almost globalist concern:

"The competition of nations in the trade of the world, and the
community of interests proceeding therefrom, makes it impossible
to create successful institutions for the benefit of working men of
one country without entailing that country's power of competing
with other countries."

It is a concern that the Kaiser returned to in his *Memoirs*. There
he doesn't say much directly about the Berlin Social Congress,
just this:

"Thereupon I decided to summon a general social congress.
Prince Bismarck opposed this also. Switzerland was
contemplating something similar, and had thought of convening
a congress at Berne. Roth, the Swiss ambassador, hearing of my
scheme, advised canceling the invitations to Berne and accepting
an invitation to Berlin. What he wished occurred. Thanks to the
generosity of Herr Roth, it was possible to convene the congress
at Berlin. The material collected as a result of it was worked out
and applied in the form of laws only in Germany, however."

But there is more about his social policy in general, including
some further remarks on 19th century Globalisation and the 1890
Berlin Congress:

"The policy that kept in view the welfare of the workers
unquestionably imposed a heavy burden upon all the industrial

elements of Germany in the matter of competition in the world market, through the well-known laws for the protection of workingmen. This was especially true in relation to an industrial system like the Belgian, which could, without hindrance, squeeze the last drop out of the human reserves of Belgium and pay low wages, without feeling any pangs of conscience or compassion for the sinking morale of the exhausted, unprotected people. By means of my social legislation I made such conditions impossible in Germany, and I caused it to be introduced also in Belgium, during the war, by General von Bissing, in order to promote the welfare of the Belgian workers. First of all, however, this legislation is to use a sporting term a handicap upon German industry in the battle of world competition: it alienated many big leaders of industry, which, from their point of view, was quite natural. But the lord of the land must always bear in mind the welfare of the whole nation; therefore, I went my way unswervingly.

"Those workers, on the other hand, who blindly followed the Socialist leaders, gave me no word of thanks for the protection created for them nor for the work I had done. Between them and me lies the motto of the Hohenzollerns, 'Suum curque.' That means, 'To each his own' not, as the Social Democrats would have it, 'To everyone the same!'

"I also harbored the idea of preventing to some extent competitive warfare, at least in the industrial world of the European continent, by bringing about a sort of quota-fixing in foreign lands, thereby facilitating production and making possible a healthier mode of life among the working classes.

"There is great significance in the impression which foreign workers get in studying Germany's social legislation. A few years before the war people in England, under the pressure of labor troubles, awoke to the conviction that better care must be taken of the workers. As a result of this, commissions visited Germany, some of them composed of workingmen. Guided by representative Germans, among them Socialists, they visited the industrial regions, factories, benevolent institutions, sanatoria of insurance companies, etc., and were astonished at all the things they saw. At the farewell dinner given them the English leader of the workingmen's deputation turned to Bebel and made this concluding remark:

"After all we have seen of what is done in Germany for the workers, I ask you: Are you people still Socialists?' And the Englishmen remarked to a German that they would be quite satisfied if they could succeed, after long fights in Parliament, in putting through one tenth of what had already been accomplished years before in Germany toward bettering the condition of the laboring classes.

"I had observed with interest these visits of the English deputations and marveled at their ignorance of German conditions. But I marveled even more at

a question asked by the English Government, through the channel of the English Embassy, on the same subject, which betrayed an absolutely amazing lack of knowledge of the progress made in Germany in the province of social reform. I questioned the English ambassador, remarking that England, having been represented in 1890 at the Berlin Social Congress, must certainly have been informed, at least through the Embassy, of the Reichstag debates, which had dealt in a detailed way with the various social measures. The ambassador replied that the same thing had also occurred to him and caused him to have the earlier records of the Embassy investigated, whereupon it had transpired that the Embassy had sent the fullest reports on the subject to London and that thorough reports had been forwarded home concerning every important stage in the progress of social reform; but, 'because they came from Germany, nobody ever read them; they were simply pigeon holed and remained there ever since; it is a downright shame; Germany does not interest people at home.'

"Thus the Briton, with a shrug of his shoulders. Neither the British King nor Parliament had enough conscience or time or desire to work for the betterment of the working class. The 'policy of encirclement' for the annihilation of Germany, especially of its industry, and, thereby, of its working population, was, in their eyes, far more important and rewarding. On the 9th of November (1918) the German Radical Socialist leaders, with their like-minded followers, joined forces with this British policy of annihilation."

The development of German State Socialism and Greater Britain's hysterical fear of it would be of some interest to us in any circumstances, even if Connolly had not allied Irish Labour with it during the First World War (which England and its Allies, including Redmond's deluded Volunteers, were fighting under the slogan '*The weak an' the lame be blown!*' and the rights of small nations be damned). But Connolly did ally Irish Labour with it.

Joe Keenan

To Be Continued

DERMOT DESMOND'S STATEMENT

continued

witnesses have been denied access to information. There is no evidence to support many of the Tribunal's hypotheses. The delays and massive costs are inexcusable. Putting counsel's fees on the black in the Sporting Emporium might have been better value for the Government.

Since I first got to know Charlie Haughey in 1985, I saw someone totally committed to bringing prosperity to Ireland. I never witnessed corrupt practices. I am personally honoured with whatever little help I was able to give him either financially or with ideas, and am eternally grateful for his wisdom and friendship.

DESMOND VS. VILLAGE

As mentioned above, the *Village* felt obliged to sandwich Mr. Desmond's statement with critical material. He responded to this in a letter published on 9th January:

"The Moriarty Tribunal investigated Charlie Haughey's affairs for over nine years and came up with a number of what the Tribunal may call 'findings' but what should be more accurately described as theories. I am disappointed but not surprised that you reported on the Tribunal's conclusions without actually thinking them through and seeing them for what they are. Like the Moriarty Tribunal, you are left resorting to hypotheses and rumours in the absence of facts.

"You state that I was less than cooperative with the Tribunal. You say that I declined to provide information after my press statements in January 1998 until March 1999. However you neglected to continue quoting from the Moriarty Report where it is noted that I was waiting firstly for the delivery of a Supreme Court judgment and secondly for the Tribunal to furnish a formal clarification of its terms of reference, both such situations being entirely outside my control.

"The Tribunal can assert all it likes that my motives for making payments to Mr Haughey were connected with the public office of Taoiseach formerly held by Mr Haughey. This is a nonsense and smacks of desperation by the Tribunal, and indirectly verifies my position that all payments which I made to Mr Haughey were after he had left public office.

"You state in bold print that the Tribunal was unable to make a finding that the disclosed payments were the only payments made by me to Mr. Haughey. Do you think it is legitimate for the Tribunal to turn around the presumption that a person is innocent until proven guilty, by merely floating an observation that they could not say these were the only payments? Taking this line of "analysis", the Moriarty Tribunal could have said that as it did not have access to your private accounts, it could not make a finding that you did not make payments to Mr Haughey. It demonstrates the lack of professionalism and integrity of the Moriarty counsel who would be kicked out of court if they tried to rely on such unfounded assumptions.

"I am extremely surprised that you state that Mr Haughey "expressed disappointment with Desmond's neglect (socially) of him". This is simply untrue and requires immediate correction. I have tremendous respect and admiration for Mr Haughey and his family. I kept in touch with Mr Haughey on a regular basis. I shared many private social occasions with Mr Haughey and his family and he would have also met with my family on numerous occasions. This insult cannot be left standing on the record.

"Your comments on land at Dublin Airport and Aer Rianta [the Airports Authority, chaired at one point by Mr. Desmond] are unbalanced and damaging. You neglected to make the fundamental point that the land in question was landlocked, being surrounded by other land owned by Aer Rianta. If that fact had been evident in your article people would have been able to judge for themselves why the Board did not sanction the "knockout bid" suggested by Lisney's but instead offered a price based on

Aer Rianta holding the key to the land. You deliberately distorted the truth to pave the way for your story suggesting that I set up this whole land deal for Ciaran Haughey, allowing him as part of a consortium to put in a low bid for the land. For the record I did not know that Ciaran Haughey was interested in bidding for the land. The other fundamental fact which you neglected to disclose was that the land only appreciated in value a number of years after I had left Aer Rianta, when Brian Cowen as Minister for Transport (against the advice of the civil servants) instructed Aer Rianta to allow rights of way over the previously landlocked land. By being selective with the facts, the clear inference is that I somehow orchestrated that Aer Rianta would hold back on bidding for the land so that Ciaran Haughey's consortium could buy the land. You are essentially inferring that I did not do my job properly as Chairman of Aer Rianta; that I did a favour for Ciaran Haughey and indirectly Charlie Haughey; and that I was corrupt in putting the Haughey family interests ahead of my obligations to Aer Rianta. This is total and utter fabrication on your part and is grossly defamatory. It is a seriously unfair and damaging piece of journalism and requires an urgent apology from you. I will also be seeking damages for a charity of my choice to go some way towards making amends for their deceitful story.

"I reserve the right to pursue this issue further should I not receive a satisfactory apology and proposal for damages."

Vincent Browne published the following response, dated 10th January.

"We gave a fair and accurate report of those parts of the Moriarty Tribunal report relevant to you.

"The comment that you were less than co-operative with the Tribunal was "fair comment" based on facts that are true.

"Re "the insult" contained in the report that Charles Haughey "expressed disappointment with (your) neglect of him", this was a fair and accurate account of what Charles Haughey told me. Incidentally, I told a colleague of your's of this remark by Mr. Haughey shortly after it was made, which was at least six months before Mr Haughey died.

"Re the land adjacent to Dublin airport, I fully accept your bona fides in refusing, as chairman of Aer Rianta, which at the time owned Dublin airport, to accept the advice of Lisney's to make a "knock out" bid for the lands, given that the lands were landlocked by property owned by Aer Rianta. I agree with your contention that the lands on offer could have been obtained at a later stage by Aer Rianta for a far lesser price. I believe that the evidence, so far presented at the Planning Tribunal, vindicates your position on this. Nevertheless it was relevant to point out that among the other bidders for the lands was a company part owned by Ciaran Haughey, of whom you otherwise were supportive.

"But I accept your actions in respect of these lands were taken in the best interests of Aer Rianta.

"We went to some lengths to ensure we were fair to you in our coverage of the Moriarty Tribunal's findings concerning you, as evidenced by our publication, in full, of your statement in response to the publication of the report.

"If you wish to make any further observations on our coverage or on the Moriarty Report itself we will publish those, subject to the usual constraints."

Institute For Workers' Control

Part Two continued

1974 was the year that finally saw workers' control move towards the centre of labour movement politics, with concrete proposals from both the TUC and the Labour Party. In the London area a Workers' Control Co-ordinating Committee was organised by John Jennings to begin the agitational work necessary in the new pro-workers' control climate. His own SE London Group managed to get an "Open Door" programme on TV.

This Committee saw its role as transmitting the work of the IWC: it supported the policies of the Trades Union Congress against opposition from within and without the labour movement. This was a mistake. No such work was going on in the IWC. Conferences were still held regularly. But they still took the form, at best, of a general exhortation to campaign for workers' control.

The existence of a specific set of demands from the TUC, to be legislated by a reasonably willing Labour Government, seemed to be lost on the IWC. Conferences were needed to organise campaigns in every town, in every Union, in every Constituency Labour Party, and in every workplace, behind the TUC plan.

In practice the Conferences became less rather than more focussed. The range of campaigns and causes widened at a time when concentration on the main issue, workers' control, was required.

At first I, among others, put this down to the type of bad habits acquired in any movement which has to concentrate on a general campaign for years and is suddenly faced with the need to focus narrowly, suddenly, for a quick victory.

At meeting after meeting, London members argued for a focussed campaign—both from the floor of Conferences and in the private discussions that took place on these occasions. It was in this spirit that Joe Keenan, probably the most articulate and thoughtful of the rank-and-file members, submitted a discussion document to a national Conference in 1975. Below are some extracts:

"In 1917 the demand for workers' control was utopian. The bourgeoisie was still the dominant force in society. The working class played a subordinate role. A long struggle lay ahead...

"Sixty years on that struggle has been won. The demand for workers' control is no longer utopian. It marks the only way forward for the working class.

"There is no excuse for the subculture mentality now. But it still exists...

"The time has come for the working class to rid itself of the attitudes and reflexes it developed as a subordinate

class. It must begin to think and act as a ruling class.

"The politics of the left which promote and reinforce the old attitudes are nothing more or less than a millstone around the class' neck. The politics of workers' control represent the only way forward.

"Workers' control should be an heretical doctrine which challenges all the assumptions of traditional working class politics. But the strategy of workers' control cannot be advanced unless those who subscribe to it not only recognise the fact of their heresy but compound it. And this the IWC has not yet done.

"The principal agent in the movement for workers' control cannot retain in itself so much of the attitudes, habits and reflexes of the old politics if it is to supersede them. Nonetheless the IWC has not yet overcome the subculture mentality...

"...workers everywhere applaud these sentiments [the sentiments expressed in the aims of the IWC—CL]. But they will remain sentiments until a movement for workers' control aims for more than polite applause...

"The basis of the workers' control strategy should be that workers have power which they exercise in a negative fashion as a veto: what is required is that "fundamental and irreversible shift" in the power towards the working class which has already occurred SHOULD NOW BE PUT TO POSITIVE USE...

"The IWC has so far raised the issue of workers' control in limited areas inside the Labour Movement. This it has done very effectively. But it has stopped there and has made no attempt to go beyond explaining the 'idea' to workers. It has not made the effort to mobilise workers for the implementation of its policies. Is it any wonder that workers find it difficult to take the IWC (and by implication the whole idea of workers' control) seriously?"

"The IWC must rid itself of the subculture mentality. What is required at present is not an abstract commitment to a well-structured idea but rather a concrete commitment to a realistic and effective strategy..."

This was a fairly hard-hitting paper, but should in no way be interpreted as hostile. The expectation was that at best the ideas advocated would be taken on board by a leadership waiting to encourage whatever activists it could lay its hands on. At the very least it was expected that the leadership would dispute the ideas and demonstrate that they had in their own way every intention of going now for the main chance and didn't need to be told their business by some young upstart. The reaction turned out to be one of hostility but no argument.

There was no recognition that an

opportunity was presenting itself for the main aim of the IWC to be achieved. There was even the odd dark hint that people like Jack Jones, General Secretary of the T&GWU, and Clive Jenkins, General Secretary of ASTMS, (and even Tony Benn), had slipped the leash and were prepared to sell out for a mess of pottage.

Those of us who wanted some action began to have it subtly explained to us that the IWC was something more than a movement for something as pedestrian as workers running their firms and industries. We tried to find out what this great task might be and felt that those doing the hinting weren't sure themselves. Since no straight explanations were forthcoming we began to arrive at the tentative conclusion that Coates didn't want HIS movement overtaken by the actual achievement of its aims.

The basis on which we campaigned for workers' control, and urged the IWC to do likewise, was the policy adopted by the TUC at its Conference in 1974. The following account of the TUC position was published in *Workers' & Industry* No.1.

For private industry the TUC proposes:

1. A two-tier board structure with the supervisory board appointing the day-to-day Management Board.
2. One-half of the supervisory board to be elected through the trade union machinery.
3. This supervisor board would be the supreme body with power to override the shareholders' Annual General Meeting.
4. Workers' representatives to be elected for two years and subject to recall and re-election.
5. The system should only come into operation where there is trade union recognition.
6. It would apply at first to companies with more than 2,000 workers and later be extended to those with over 200."

For the nationalised industries the TUC recommends:

1. 50% direct trade union representation on the boards of nationalised industries.
2. The other 50% to be appointed by the minister.
3. A similar system to operate at lower levels, with scope for variation and experiment."

The essential points in the TUC's Report, 50% worker representation with election through Trade Union machinery, would, if legislated, have lead inevitably to workers' control. Following the introduction of a 50/50 system, the employers' representatives could argue as much as they liked in favour of their own views on running the firm, but that is all

they would have been able to do. The workers' representatives could back up argument for any alternative plans with 'go slows', overtime bans, strikes, and all the other weapons in the working class arsenal. Workers would then be in a position to make sure that any of the decisions which affect them "on investment, manning, rationalisation, relocation of plant, etc." would be made in their interest. They would be able to make those decisions for themselves. A summary of the process that led to the Bullock Committee being set up in late 1975 was printed in *Workers & Industry* No.2 and is given below.

In 1968 the Labour Party Conference accepted the Report of a Working Party on Industrial Democracy chaired by Jack Jones. The Report was broadly in favour of the development of worker participation, particularly in the public sector. It recommended that there should be:

"experiments in placing representatives of the workers directly concerned on the boards of publicly owned firms and industries (or alternatively provision for attendance at board meetings) and this representation should not be confined to full-time officers of unions. Workers' representatives should be drawn into decision making at every level, particularly at the various points of production. Labour's 1974 (February) Election Manifesto pledged the government to:

"...socialise the nationalised industries. In consultation with the unions, we shall take steps to make management of existing industries more responsible to the workers in the industry and more responsive to their consumers' needs."

In October of the same year, a further Election Manifesto committed the Government to:

"...introduce new legislation to help forward our plans for a radical extension of industrial democracy in both the private and public sectors. This will involve major changes in public law and in the statutes which govern the nationalised industries and the public services."

The TUC's *Report On Industrial Democracy*, adopted in October 1974, recommended that, throughout industry, there should be a two-tier board structure with 50% worker representation on the top tier policy-making board.

The Government, keeping its pledges for once, set up a Committee of Inquiry, under the Chairmanship of Sir Alan Bullock, to examine the implications of worker representation on the boards of private firms. Bullock's terms of reference, having been dictated by the TUC, were clearly progressive:

"Accepting the need for a radical extension of industrial democracy in the control of companies by means of representation on boards of directors, and accepting the essential role of trade union organisations in this process, to consider how such an extension can best be achieved, taking into account in particular the proposals of the Trades Union Congress Report on Industrial Democracy as well as experience in Britain, the EEC and other countries. Having regard to the interest of the national economy, employees, investors and consumers, to analyse the implications of such representation for the efficient management of companies and for company law."

Clearly, within the preceding ten years or so, there had been a development of interest in, and a commitment to, industrial democracy within the Labour Movement which culminated in the Labour Government, under TUC pressure, setting up a Committee of Inquiry as a prelude to legislation. In other words, the job of the Bullock Committee was to find out HOW to implement TUC policy on industrial democracy, and not whether to implement it. The terms of reference of the Civil Service Inquiry for the nationalised industries were much the same.

No lead on galvanising support for the TUC position, either before or during the Bullock hearings, or for arguing against anti-workers' control trade unionists like Frank Chapple or Hugh Scanlon, was forthcoming from the IWC. Indeed we began hearing that Ken Coates was privately making derogatory comments about the whole inquiry process. (Frank Chapple had been a member of the Communist Party but by 1974 was a very anti-Communist General Secretary of the Electricians' Union.)

In at least one case Coates was too subtle by half. At a post-Bullock Report Conference Audrey Wise, then Labour MP for Coventry, told the meeting that Coates had said to her that she needed to watch out for the Bullock Inquiry. Not being in on these coded ways of speaking, Audrey Wise said she took him to mean something positive. Having previously been a bit sceptical, she now took a great interest in the proceedings and became a wholehearted supporter of Bullock's findings.

This was the first and last time I heard any senior IWC personality criticise, let alone denounce—which she did—Coates in a public forum.

But to return to the North London group. Four London members, by residence not birth—three of us were Irish and one Welsh—Joe Keenan, Peter Brooke, myself, and Madawc Williams (soon joined by others) decided to reactivate the North London Workers'

Control Group, and use that base to do the job that the IWC should have been doing.

When the Bullock Committee was set up, Joe Keenan wrote a pamphlet called *From Plowden To Bullock*. This was the story of how the opportunity for workers' control in the electricity industry was lost when the Plowden Committee on the industry rejected it.

That rejection was solely the result of opposition to industrial democracy from conservative Trade Union leaders in the EETPU (electricians), GMWU (public service manual workers), and NALGO (public service clerical workers), coupled with a lack of any effective counter to Frank Chapple and his friends from people who knew better—the IWC included. The pamphlet urged that the greater opportunity provided by the Bullock Committee should not be thrown away in the same manner.

A weekly four-page newsletter was produced as a campaigning journal for industrial democracy. It contained a few items of general Trade Union interest. But most of its contents dealt with workers' control matters.

Week by week it reported on practical campaigns for workers' control throughout the country—e.g. the Triumph motorcycle co-operative at Meriden and Wolverhampton, the workers' attempted takeover of the *Scottish Daily Express*, the anti-closure campaign at Crossfields in North London, and the 50-50 workers' representation at Harland And Wolf shipyards in Belfast.

Most important of all, *Workers & Industry* published details most weeks of the written evidence presented to the Bullock Committee by various bodies, and commented on the submissions. Amongst the bodies which engaged with the Commission were the TUC, The Confederation of British Industries (CBI), individual Unions, employers' organisations, and political organisations. Extensive extracts from this journal will appear later in this series.

The NLWCG (North London Workers' Control Group) persuaded Labour Party branches in its area to affiliate to itself, and held regular, if not always well attended, public meetings on matters related to workers' control in the Tottenham Labour rooms.

Unfortunately neither our example nor our activity was followed—either in terms of influencing people in the Labour Movement or getting support for workers' control legislation via the Bullock Committee. Along the way we showed at least that such organisation was relatively easy if the will was there. It wasn't.

The IWC was neither persuaded nor shamed into doing its duty. At no point did we behave in a sectarian manner and attack the IWC and thereby force it into a position of hostility. It CHOSE to remain aloof. It

clouded the main goal by diverting its activities into secondary issues when it should have been grasping the opportunity provided to achieve its main goal—workers' control.

The NLWCG decided to try to influence directly the leaders of the Union movement. This appeared to us a daunting task. Ken Coates and his circle had known all of these people personally for years. To them he was Mr. Workers' Control. We were a small locally-based group, mostly in our early to mid-twenties, new to labour and trade union politics and, in many cases, new to Britain itself.

The response surprised us. The research officer at the T&GWU, Steve Bubb, kept in almost weekly contact, discussing workers' control and keeping us informed of developments. Sid Weighell, General Secretary of the National Union of Railwaymen (NUR), kept us abreast of development there and at the European level, and we had access to the NUR and T&GWU libraries. At the TUC David Lea, then Economics Officer and a member of the Bullock Committee, was helpful and spoke at one of our meetings. We had regular contact with leading officials at

the NUM, NALGO, NUPE (local government manual workers), and other Unions. Nobody closed the door, including Unions which were not in sympathy with our views.

We were now "well connected" and well informed and spread our information as widely as possible. We were also instrumental in setting up two more local groups. Peter Brooke moved to Cambridge and started an active group there. In Belfast a well-attended meeting launched the Belfast Workers' Control Group organised by the late Eamon O'Kane of NASUWT (teachers) and George Wilson of SOGAT (printers).

By this stage we had probably reached the limits of our abilities. It was time for a last try with the IWC. The Bullock Committee finally made its report. It was good beyond our wildest expectations.

Prior to the Report we had been agitating for a recommendation from Bullock more or less in line with the TUC position. The actual proposals in the Report were even more extensive and radical than those of the TUC.

Conor Lynch

Has Sinn Fein Become The SDLP?

With the Sinn Fein leadership recommending support for policing to its party Declan O'Loan of the SDLP has told the *Irish News* (New Year's Day edition) that "*many Sinn Fein supporters may now question the value of the armed struggle. After the heady days when they were going to drive the British out of Ireland, who would have thought it would come to this?*" Furthermore he adopts the Anthony McIntyre view of the Provos: "*As one writer to a newspaper put it: Did we fight for more than 30 years to become the SDLP? Well, yes, it seems that you did.*"

A few years ago Anthony McIntyre described the post-Ceasefire republican movement as possessing "*neat ringcraft but no punching power*", But the boxing analogy was much more applicable to the relationship between the SDLP and Sinn Fein. In the period prior to the Good Friday Agreement (GFA), the SDLP had neat ringcraft *and* punching power but that punching power all came from the Provos.

A better analogy, however, was the tag-wrestling matches that appeared on ITV's *World of Sport* in the seventies. In these shows a couple of bad guys, usually dressed in black, got the runaround from a rather weedy but light-footed good guy who taunted them with nifty ringcraft and

slippery footwork. The fleet-footed showman invariably got into bother when the much more substantial bad guys got hold of him and began pulverising him. His partner, the true power in the partnership but a less attractive figure, invariably rescued the good guy. This man knocked the two bad guys heads together and roughed them up to the extent that the showman was able to return to the ring and finish them off. The good guy was able to raise his hands in triumph and the audience cheered him, pretending that he had won the fight. It would have ruined the show to acknowledge the real winner.

Isn't that something similar to how the conflict of the last couple of decades has worked itself out?

It seems that the SDLP is now going to attempt to derail Sinn Fein's policing policy with the Anthony McIntyre line—as the Trimble Unionists, like Steven King, attempted a few years ago. But that proved ineffective, largely because Trimble's supporters just did not have the confidence to believe they had defeated the Provos. And it is unlikely that the Catholic electorate are going to see things any differently, from their perspective. They are not going to start believing that it was the SDLP that won the war—or at least, forced a very creditable draw.

The modern Sinn Fein and the SDLP have their origins in the same place and in the same year—the year when the Unionists went over from policing to militarily attacking the Northern Catholics in response to rather modest demands that any functional state could have conceded. But Northern Ireland was not a functional state. In fact, it was not a state at all. It was a contrived entity built for purpose, the purpose being to obtain leverage over the state that was let go in 1920. It was fit for that purpose. What it was not fit for was good government or to foster good relations between those unfortunate to find themselves within its territory—pawns in a bigger game.

The original Sinn Fein was formed in 1905. But the Sinn Fein of 1918, the party that swept the board in the General Election, was even a very different party to Arthur Griffith's. Ireland had been dislocated by Ireland's reaction to Britain's mad adventure against Germany and Sinn Fein was invigorated with a mass of active and purposeful people determined to alter the political relationship between Ireland and Britain, one that had been put into disrepute by the slogans of the "*war for democracy*".

After the War of Independence, 'civil war', and launch of Fianna Fail, what remained of Sinn Fein and the IRA was a republican rump. That rump grew smaller and less politically significant with the success of De Valera's policy in relation to Britain from 1932-45. It embarked on its last great adventure in 1956 with Sean South and Fergal O'Hanlon and drew the appropriate conclusions from the results. By 1969 the republican rump was a rest home for anti-Treatyite Second Dail purists, only enlivened by the activities of some communist hangers-on with dangerous fantasies.

But the dangerous fantasies paid off in August 1969—in a way never intended by the fantasists themselves. The fantasists themselves recoiled from their fantasies, blaming the rump, or the rump of the rump, so to speak, which had disassociated itself from the rump when the rump had tried to become something other than a rump. But the rump of the rump did not care where its opportunity had come from—the rump had got another day, when it had began to believe that its future days would be very different. So the rump of the rump constituted itself into the real rump (Provisionals) and rejected the other rump (Officials). And it got to believe, for a couple of heady years, that its day would really come!

But the new rump acquired a mass of active and purposeful people from the North and this changed the character of

the rump at the moment of its birth. The new rump acquired a substance that ensured it would no longer retain the purity of the rump. It changed forever in substance acquiring the character of the experiences of a mass of people with fundamentally different motivations and aspirations than anti-Treatyite republicanism, coloured by the experiences of being the second-class citizens of a police state in which the minority was meant to be the perpetually policed.

The change in the rump was not apparent for quite a while. For a decade or so the Provos looked to be an anti-Treatyite growth in the North where no anti-Treatyite substance had before existed. (The North had tended to be Treatyite through necessity in relation to a division seen as rather meaningless and positively dangerous in relation to its own position). The ideology seemed the dominant characteristic in a force that swept all before it from 1970 to 1972 and when victory was regarded as imminent there is not much thought of what comes next.

But in the early eighties a number of things indicated that this was a *new* substance that had acquired its vigour not from opposition to the Treaty, in the spirit of Sean South etc., but from the peculiar governmental arrangements of its origins in the conditions of life of the ordinary Catholics of the North. It started shedding republican principles in response to political necessities that no movement rooted in Second Dail republicanism could have done. In time, when the rump realised that the new mass of active and purposeful people from the North had changed the character of the substance they had both created, they withdrew and became an anti-Treatyite rump again. But the parting of the ways and the additions the anti-Treatyite rump have acquired ever since have not altered the fact that they remain a rump, and perhaps, in contentment. And the substance marches on, as a substance.

The SDLP and Sinn Fein were both products of the Northern pseudo-state (as Henry Harrison called it), of fifty years of the political policing of that state, and the Catholic predicament in 1969-70 in relation to the Unionist policing which had become military assault.

Sinn Fein and the SDLP represented different responses to that predicament. The basic difference was that one was pacifist and one was not. Both flirted with the attractions of socialism in their younger days but returned to their families. But the SDLP leader, John Hume (after the caretakership of Gerry Fitt) understood the origins of the two responses, minimised the conflict between the two responses, and always realised that they were working

for a common objective, born from a common experience. There was no Treatyite/Anti-Treaty division.

The SDLP was in some ways affected by the IRA ceasefire more than Sinn Fein. Its new leaders, who replaced John Hume, began to take the conflict with Sinn Fein in earnest. They portrayed Sinn Fein as anti-Treatyite sell-outs, knowing full well that they were nothing of the sort. But at the same time they depended on them to obtain the settlement they desired but which they had not the political power to obtain themselves.

The new young Turks of the SDLP were used to thinking, by believing their own propaganda, that what they had obtained in politics they had achieved through their own political talents. They did not realise their own punching power had gone when the Provos called a halt.

Here was the promised land of the SDLP and "*I told you so, you slow learners*" was the order of the day. But the day of the SDLP was a short one. Others had been learning all along in the real field of political education—people who knew that the realisation of a programme was not the end of history but just another chapter along the way.

The SDLP leaders were exposed as mere bantamweights in politics in their own promised land. The real power behind the partnership stepped forward to claim the prize for its efforts. And the audience, whilst having participated in the spectacle to create a show, which would be to their interest, now bowed to the reality and acknowledged the real force in their corner.

When the bantamweight went into the ring without the heavyweight in his corner, abusing his former colleague as a mere ruffian and upstart, eager to show his individual skills of ringcraft, without the heavyweight to back him up, and proclaiming that the ring would no longer be a place for conflict, that it was now a garden of Eden, the audience was unconvinced. It knew that the ring was not a level playing field, where the Queensbury rules would prevail and the 'referee' would be impartial. It knew that the power of the green corner lay in teamwork, in the former ambiguity. And that trusting to the bad guys, who now outnumbered the bantamweight two to one, was not a realistic proposition.

Northern Ireland did not become a democracy in 1998 and there was not an end to history in which a new politics was going to develop. And if the SDLP, given Catholic electoral approval, had had its way, all it would have led to was a starting of the whole process once again. That understanding is why Catholics began to increasingly trust in Sinn Fein and go over to them.

Back in 1971 the SDLP had had its moment. It had been offered some Chairmanships by Faulkner in the weeks before internment. Fitt declared a new dawn but his party dithered and then availed of the shooting of two Derry men by the British Army to withdraw from Stormont into active opposition. They were enticed back into a powersharing executive by Whitelaw, but after they played a game of brinkmanship, along with undependable allies, against the loyalist community, they went to the shadows.

The SDLP lived in the shadow of the Provo substance from then on. Thereafter the IRA determined the agenda and '*called the shots*'.

There are two ways to a united Ireland. The first is the one that the Provos tried in substantial form from 1970-5 and revived again in a more restricted fashion from 1987-88 when the Libyan arms shipments became available to the IRA.

The first involved a military campaign directed mainly against the security forces of the British State in Northern Ireland and political and economic targets in the North and on the British mainland. The fundamental objective was to break the will of the British Government to remain in Ireland. A secondary objective was to break the will of the Unionist community in the north, or more practically, to render them passive to the primary objective stated above.

There is little doubt that the primary objective of the republican movement came close to success and probably would have achieved success if it hadn't been for the mistaken belief that the secondary objective would come about more or less as a consequence of the primary one.

Protestant resistance to a united Ireland, particularly between the fall of Stormont in May 1972 and the encouragement of Ulster nationalism by the NIO during the period of Merlyn Rees, proved far more substantial than anyone (outside of the B+ICO) predicted. And what became clear was that a united Ireland would only come about if Nationalist Ireland was prepared to fight a war against Unionist Ulster with the British standing aside.

Nationalist Ireland was not prepared to take that on and make that sacrifice. The British "*won the war in the mind of the enemy command*" very early on when they succeeded in intimidating Dublin into abandoning the northern Catholics during early 1970 and trying the executors of its own policy at the Arms Trial. The likely cost of that sacrifice was also brought home to Dublin in 1972 and later in 1974 by some anti-civilian bombs that were

more than likely facilitated by one or more branch of British state forces. And the SDLP was out in the cold, having lost Faulkner in their game of brinkmanship over the Council of Ireland.

So what were the Northern Catholics to do then, poor things?

Anthony McIntyre writes the following on his *Blanket* website in an article on policing entitled *The Final Step*:

"To bring the North to this point was not worth one drop of blood, republican or any other. The SDLP gained more in 1974 and its leadership... killed nobody."

A typical ideological republican criticism of the Provos is that they should have settled for Sunningdale if they were going to sign up for the Good Friday Agreement and all it entails. The 1974 deal, it is argued, was a better one, that would not have wasted lives in twenty years of pointless war.

But anyone aware of British history should know that too much can be read into the formalities of treaties. What Britain always understands in these matters is that treaties simply put conflict onto another plane where force is again employed in different ways. And the political power behind the parties who conduct agreements is very important.

It is also handily forgotten that the 1974 settlement with the SDLP in government was not acceptable to the very people—Trimble and Empey—who signed up in 1994 to a deal with the undecommissioned Provos as Ministers. *Something about inter-community power relations had changed for this to happen.*

Between 1975 and 1990 there was very little prospect of a settlement that could be represented as anything other than a unionist victory. Where was the republican incentive in that? The British policy was Ulsterisation—a renewed arm's length pacification strategy with an economy of British lives (and in this the British state never regarded Ulster as British).

In the absence of normal democratic structures usually available to citizens for the purposes of influencing a state, the British had to be forced to become increasingly engaged in Northern Ireland for the conflict to be brought to a close.

After some initial disorientation, the Provos got the bit between their teeth and took the situation in hand. As a response to declining military capability and a reduction in the active participation of northern Catholics (who are a very politically-astute community and who saw the writing on the wall), in the military campaign the IRA adjusted itself to fight a war of attrition which minimised civilian casualties and utilised the passive support that was always available to the IRA as a consequence of the communal nature of politics in the north. That support was built up electorally during the Hunger Strikes and built upon subsequently as Sinn Fein was enlarged and enhanced. All the resources of the British and Irish states that were employed at undermining it and building up the SDLP failed.

Shedding republican ideology as the situation demanded was a consequence of the new strategy. IRA activity was refined, focussed on targets that had maximum political impact on the British state in the form of "*armed propaganda*", and ultimately subordinated to politics. Those predisposed to republican principle walked away at these developments but all attempts to challenge them proved a failure and the Provos were able to conduct an orderly retreat from the battlefield to the political ground—on which the results of all wars are subsequently determined.

The *Irish Political Review* noted at the time that the 1994 Ceasefire bore some similarities to the 1918 Armistice. The British successfully turned the 1918 Armistice with Germany into a German defeat in May 1919 after six months of blockade. But the Provos were not such an easy touch as the Social Democrats in Germany. The British were reminded of the operational capabilities of the IRA by some economic warfare in the city of London and the peace process began. (The Provos read the situation well—New Labour was courting the city and the city knew that large bombs were very bad for business.)

Much of the recent political analysis about the Provos has been coloured by Ed Moloney's book, *The Secret History Of The IRA*. Republicans like Anthony McIntyre and Tommy McKearney greeted this book with enthusiasm, as confirming their view of things. It describes the way the Provos lost the war in 1994 and how the leadership of the movement conned the grassroots into the ceasefire and peace process whilst operating a secret agenda for peace (and surrender) for years. Never far from the surface are hints that the Sinn Fein leadership are either the willing or unwilling tools of the British state and might even be British agents who conspired with person, or persons,

unknown to eliminate their republican opponents in one way or another to achieve their own agenda.

Gerry Adams is the Stalin of the piece. From almost page one Adams is presented as a power-crazed political manipulator, learning from the mistakes of Cathal Goulding, and perfecting the art of political manipulation and elimination. Almost single-handedly he deals ruthlessly with competitors for power, allies with them, isolates and destroys them, along with the revolution, socialist and republican. And the only thing missing is a Trotsky!

Moloney completely loses sight of political reality in his book. His account is of one Provo disaster after another, of one military catastrophe after another, of one political setback after another, until the greatest defeat of all—the surrender dressed up as a peace process.

We always maintained that the republican offensive, even at its height, when very respectable people, including senior members of the SDLP, were in the business of playing Machiavellians in relation to it, was doomed to failure. Protestant resistance to it, and not the British state, was the crucial factor in stalling it and this was clear by 1972/3 when the IRA ceased to conquer. But from 1977 onwards, when republicans began to realise this themselves, the IRA did a remarkable job in sustaining itself in order that the effects of the military campaign be translated into political dividends for the northern Catholics. Of course, the policy of the British state in keeping the province at arm's length, of continuing to treat it as a semi-detached pressure cooker of communal attrition, not to mention the political ineptitude of Unionism, provided the hope that sustained the deed. But the Provos took everything that the British state could throw at them (and the British have immense experience in this department) and continued to possess the capability of maintaining a politically forceful campaign even in the twilight years of the war.

It is a long time since the Provos declared, "*they were going to drive the British out of Ireland*". Maybe thirty years, in fact. And in those times many in the SDLP would have said the sooner the better. But in the last couple of decades of war it became pretty clear that the war was continued, not to achieve military victory, but to bring about the best transitory settlement that would lead to an ultimate realisation of political objectives.

The Provos knew that nationalism was in long-term decline in the South (a process began by the disorientating effect of Vatican II on a society that had little

requirement for it) and that they had to remain in the field until the British were prepared to deal with *them*, so that the maximum political advantage could be secured for the sacrifice that had been made.

That political advantage should be clear to anyone who lived through the Stormont system and can remember the relative political, economic, and social, positions of the two communities before 1972.

The Provos also knew that the British would not address the situation in the north unless forced to. That was the political reality of the perpetual arm's length pacification of communal politics that the British state pursued in the Six Counties since 1920. It was this connection that the Provos and the B+ICO sought to break, in different ways.

The Sinn Fein strategy is to maximise its political power in the north, in particular in the Ministries of a northern Home Rule parliament, and to use this political power base to advance republican objectives in the rest of the island. The political power of Sinn Fein, which proved remarkably resilient to British and Irish attempts to undermine it, has expanded considerably in the last decade as a consequence of the political success it has achieved in advancing nationalist interests within the north—something which northern Catholics have astutely credited republicans with, despite all attempts to promote the view that the SDLP was right all along and had won the political argument.

In the South the retreat from a national culture, the lack of political principle, and the atrophication of national life, have created an opening for the expansion of Sinn Fein and an increase in republican influence which could hardly have been predicted in the Haughey era.

The second way to a united Ireland is to minimise the communal grind within the north and between north and south. The Republican objective is to assuage and/or wear down Unionist resistance to a united Ireland over the next couple of decades in an atmosphere of general political cooperation. In one sense this is a tall order because the communal grind of politics is always likely to keep antagonisms simmering on one issue or another. But Sinn Fein has calculated that its ability at politics will work to undermine its political opponents, whilst its power base continues to exert a wider influence, even into parts of the Protestant community.

Policing is obviously a thorny issue for Republicans. The Republican movement was always a conglomeration of people with different motivations. There were die-hard republican purists, revolutionary socialists, right wing Catholics, and then the bulk, just in it because of being treated as "*only second class in their own land*". They were all, however, united in their belief that the conditions of life under the Stormont period should never be permitted to return. And the conditions of life in the Stormont period for Catholics was little more than the experience of being policed. Many will never accept policing with the policing experiences of the past. But the logic of the new Republican strategy means that the policing issue has to be dealt with so that the conflict in its armed form does not begin again.

The Catholic community cannot exist in perpetuity with a police force that is unaccountable to it. That is a state of limbo that will ultimately lead to a return to hell.

In a situation down the line, when Irish unity becomes a possibility, the control of an indigenous police force, or a large section of it, is vital. There will always be a substantial opposition to Dublin rule amongst Ulster Protestants, even in the best of all worlds. A unionist-dominated police force could not be expected to do the necessary in such a political context, as it did in relation to the Anglo-Irish Agreement. Policing provides important resources of intelligence in such situations unavailable to a purely oppositional political force.

Collins understood this in 1920-1 and he was beginning to take some measures to implement such a policy. Collins's grasp of politics did not live on in the Treatyite party. But the Provos of today are much closer to his pragmatism than they are to anti-Treatyite principles.

Sinn Fein seems to be confident that it will not be outmanoeuvred in the political conflict over policing by either the British Government or by the DUP. The DUP seems to believe that it can wear Sinn Fein down by drawing out the process for so long that the republicans will implode. If it did succeed we will be back to 1969 albeit with a different balance of power.

Such are the predictabilities of the system that Britain built in 1920 that jaw-jaw and red war are merely periodic rotations in the process of communal grind.

Pat Walsh

Venezuela And The Bolivarian Revolution Notes from a visit 27 November–6 December 2006

"the United States of North America destined by providence to plague the people of the Americas with hunger and misery in the name of freedom."

Simon Bolivar, 1825

"We will not rest until we break the chains that oppress our people, the chains of hunger, misery and colonialism. This country will be free, or we will die trying to free it." Hugo Chavez, 1994

December's Venezuelan Presidential Election saw the incumbent President, Hugo Chavez re-elected by a long distance. Chavez won 62.89% of the vote ahead of his main rival, Manuel Rosales. The poll represents a stunning blow to the US backed opposition.

In the week preceding the election, Caracas was a lively city. Large street rallies were held, invariably good natured, with a sea of red shirts, caps, berets, bandanas and wristbands—Latin American salsa music to the fore, and a carnival atmosphere prevailing. The vibrancy and energy on show was like no European election. Touring a range of polling stations across Caracas—in both "Chavista" and opposition territories—the long queues at polling booths were orderly. Turn out was high at 75%. The electronic voting system worked well, public transport was free on election day, and the two day pre-poll electioneering embargo (and alcohol sales embargo) aimed at reducing street tensions, seemed to be largely respected.

Arriving in Caracas, immediate impressions were of a very poor society. Basic shanties ("ranchos") clinging to the hill slopes, with poor or non-existent water supply, we passed broken down, or overheated cars (like Cuba, cars are kept on the road for 40 or more years—and street mechanics abound) leading to an untidy city thick with the fumes of diesel and oil. Some excellent modern infrastructure, such as the city Metro sits side by side third world conditions. Without a comprehensive social welfare system, a vibrant street selling culture abounds. A brand conscious, fashion conscious and beautiful people, often wedded to a globalist consumer culture, contrasted with a people and society asserting its independence, alive to the threats of US imperialism and dangers of neo-liberalism. Our immediate thoughts were on how a country so rich in oil and

gas, with vast hydro-electric potential, with a climate supporting a lucrative coffee crop, grass that the cattle would die for, and trees laden heavy with fruit could have so much of its population living in dire poverty, with workers earning \$5 or \$10 dollars a day?

Our delegation had a hectic programme of events, many laid on by Venezuela Solidarity, and by MvR (Movement for the Fifth Republic) National Assembly member, Augusto Medina Montiel. We spoke on national radio and toured the new Latin American Vive TV channel. We met senior economic official, Haiman El Troudi (a former chief of staff to Chavez) hearing his progressive ideas on the developing vision of "*Socialism in the 21st Century*"—neither state socialist nor neo liberal. Another highlight was a forensic lecture from lawyer Eva Golinger on the background and history of US efforts to destabilize the administration, based on her Freedom of Information searches and her books, *Breaking The Chavez Code* (2004) and *Chavez Versus Bush* (2006).

From literacy projects to self employment preparation, from neighbourhood soup kitchens, to the Co-Op food Mercals, the Bolivarian Revolution has activated a layer of the poorest in Venezuelan society. The result has been a popular, empowering and humane vision—with a highly politicized, involved and active and increasingly organized civic society. As someone involved in political life for over 20 years it is without question, the most inspirational and practical development that I have ever witnessed. Encouragingly it is also free of dogma or hectoring ideological language.

VENEZUELAN POLITICS 1958-98

The political system in Venezuela from 1958 to 1998 was nominally democratic. The two main parties were the hegemonic *Accion Democratica* (which could be loosely termed as Social Democrats) and *Copei* (Christian Democrats). Through the pact of Punto Fijo both sought to limit opportunity for other political groupings and alternate power between them. Both had vast memberships, as joining was a means of getting on, getting influence or getting a job. *Accion Democratica*, in particular, enjoyed cosy relations with the *Confederacion de Trabajadores*

Venezolanos (CTV) union movement (which in part, was funded through the American Federation of Labour (AFLCIO). Equally, the civil service bureaucracy in the Ministries, ossified under this regime, would be largely comfortable with the status quo and resistant to change.

In the 1960s and 70s the governments undertook significant infrastructural improvements, but the mass of a poor society were largely disengaged from political life. The economy slumped in the 80's and was subjected to brutal neo-liberal reforms which sharply affected the poorest. The 1989 '*Caracazo*' saw thousands of poor people in spontaneous protest at the overnight doubling of bus fares and food prices. The '*Caracazo*' was met with a brutal and murderous response from the military, who were ordered to fire on protesters. The '*Caracazo*' also saw the beginnings of a fusion of leftist, anti-imperialist and other forces. Chavez's rise was linked to the gradual politicization and mobilization of a vast 'underclass' of the excluded. A Chavez led coup in 1992 failed, but Chavez, taking full responsibility for the coup in a TV appeal to his colleagues to down arms, had caught the imagination of a public at its tetch end. Following the Presidential impeachment in 1993, Chavez was released from jail by the incoming President, Perez, in 1994, and set about building a national movement in a bid to achieve election as President in 1998.

Since being elected in 1998, a new Constitution has been popularly endorsed in 1999 which, together with the subsequent "49 laws" serves as the legal basis of the Bolivarian revolution. He has been met with trenchant, if ill advised, opposition including a *Coup d'Etat* in April 2002, a 'bosses strike' or 'lock out' in December 2002 and January 2003, a recall referendum in 2004 and a boycott of the National Assembly in 2005. With each threat, the most impoverished sections of Venezuelan society have come onto the streets to defend 'their' President and, with it, deepen their own democratic participation. Decentralization, and popular participation is explicitly recognized in the 1999 constitution.

Two things strike me about the Chavez development. First, its sovereign attitude to both land and the hydrocarbon wealth of the country. Second, the outstanding political factor in Venezuela's "slow burn" Bolivarian Revolution is the degree to which power has been devolved to workplaces and communities—and to the poorest and most excluded in society. The politicization of this vast and poor layer of society has been the key to Hugo Chavez's popularity.

OIL AND THE ECONOMY

It would be wrong to portray Venezuela as a socialist paradise, or Chavez as a saviour. What is happening in Venezuela is, however, a practical, pragmatic and empowering "slow burn" revolution. One of the most illuminating meetings we had was with Haiman El Troudi (a former chief of staff to Chavez). He indicated that the ideological principles of the initial Chavez government were 'national' and populist, but non-authoritarian and enabling, based initially on the 10 principles of the 1995 Bolivarian Declaration.

The initial thinking of Chavez was "3rd way". He had talks with both Blair and Schroder, and saw merit in both Scandinavian social democracy and German co-determination in the workplace. Early activity to promote OPEC as a more disciplined entity paid dividends, as has the rising price of oil internationally. It should be noted, however, that Chavez did not hold real power over the oil company, the PDVSA, until after the 2002/03 "lock out" or "bosses strike" after which thousands of oil workers were sacked for backing an Opposition led and overtly political strike aimed at overthrowing the democratically elected government. Thereafter, the oil wealth has been redirected towards social, health and education projects and PDVSA adverts on state television regularly boast of these social projects.

The PDVSA is one of a small number of strategic industrial sectors (others include gas, hydro electric and electricity) recognised as essential to the state. These are unionised industries, where workers' control measures are more limited. Within the oil sector, the PDVSA and the state estimate a fair stabilisation price for oil, anything above which goes to a macro-economic fund, which in turn channels funds into both infrastructural projects and to the Fonda Unico Social (Social Fund) Funding from the PDVSA has, in part, been a tool to bypass the institutions of state—the civil service and ministries, which, in the view of El Troudi, have ossified under the previous regimes and were "obstructive" to change of the sort envisaged by Chavez.

El Troudi described the core of Bolivarianism, following the endorsement of the Constitution, as the 49 enabling laws, but in particular the two laws relating to land and hydrocarbons. The sovereign attitude to land and hydrocarbons adopted by the Chavez administration is what appears to have offended the bourgeois interest. Agrarian land reform has antagonised some rich landowners. It sets limits on the size of landholdings, taxes underutilised land and property,

redistributes un-used government land and can vest fallow land (private or public) for the purpose of redistribution and development by food production co-operatives. Much of the agrarian reforms are based on securing a strategic food supply in case of future embargo from the US or others, underlined by food shortages over the 2002-03 "lock out".

El Troudi considered that foreign, media, opposition and insider infiltration led to the 2002 coup. Chavez had, to a degree, "taken his eye off the ball". Following street resistance to the coup, however, he has now successfully reconnected with populist opinion.

The movement towards socialism was gradual and experiential—culminating in "Socialism for the 21st Century" in 2006—the platform for 2007 onwards will be in implementing this—a doctrine of neither statism, nor totalitarianism. At its core is the notion of 'endogenous' growth—growth "from within", based on 'what's there'.

El Troudi said that the administration was mindful of high level of importation, even in foodstuffs, and of "unacceptable consumption patterns". He pragmatically acknowledged that changing minds on brand culture, the lure of consumerism and, in particular, individualist car culture would be difficult.

El Troudi also described an interesting attitude to Foreign and Direct Investment (FDI) which was to be welcomed, but responsibly "hosted". The Government, he said, had looked at a set of FDI hosting principles, with government requiring a company agreement on a reasonable level of profit, with "quid pro quo" requirements for workers' shares, forms of industrial democracy, practical Corporate Social Responsibility (such as building local schools), and local supply chain management (to tackle the black economy). Based on such principles, the state can support companies through loans, incentives, tax breaks and judicial guarantees. An example of this approach was a partnership with Norwegian company, Statoil. The strategic focus is not primarily development, growth or profits *per se*, but "the integral development of the human being".

It should be noted, however, that although the administration is redistributing oil revenue in programmes for the poorest, the basic structure of the economy has not been radically altered. Venezuela's wealthy classes, though perhaps paying their due in taxes more than before, have remained largely untouched. Conspicuous consumption was noticeable, particularly the high volume

of 4 x 4 Sports Utility Vehicles on the road. In a markedly "territorial" city, the wealthy lived their separate, cultured lives freely, their political irresponsibility and disdain for the public sphere not unlike that of the Ulster Protestant middle classes. On the evidence of a short visit, nobody at the top is getting squeezed too much.

EMPOWERING THE PEOPLE

To someone from Belfast, the sight of politicized grass roots "barrios" (neighbourhoods) was not strange. The degree to which democratic decision making has taken root from the top to bottom of society was hard to wholly assess in a short visit. A lot of people seemed to be involved in the Missions and in political or neighbourhood work of some sort. Without the "dole" the small training allowances would be incentive of sorts in the Missions work. However, developing people and organisational power was seen as a conscious means of defending a democratic revolution, under constant threat from US inspired opposition, internal and external.

Politics in Venezuela has a "territorial" feel to it. The MVR, in particular, encourage very localised electoral "battle units" at neighbourhood level. Street rallies had a "zonal" quality readily recognizable to a Belfast visitor. Amongst the "barrio" projects visited included community *consejos*, social Missions and urban land committees. There were also localised committees for water, gas and other infrastructural works. The activity of the Land Committees, the Missions and the *Consejos* give a reasonable representation of the "bottom up" approach being attempted.

LAND COMMITTEES

After the Presidential decree of 4 February 2002 the Urban Land Committees (*Comites de Tierra Urbanes*, or CTUs) were authorized and have been set up in almost every "barrio" in Venezuela. Crowded, chaotic and often without water or electricity, the ranchos (shanties) are often poorly built on unsafe hillside land—prone to destruction in heavy rain. By grouping 100 or 200 families to form a CTU, the poor shanty dwellers can, through the Office of Urban Land Tenancy and Regularization, regularize their ownership. This simple solution allows people to invest in their properties and seek grant aid for water, electric, gas and other communal improvements. The process has brought millions into active civil society, with 5.7 million dwellers represented in CTUs.

CONSEJOS COMUNALES

Equally, the formation of Communal Councils (*Consejos comunales*) has been supported by the Ministry for Popular

Participation, with *Fonda Comun* set up as an organization to fund projects decided upon by the *consejos*. Over 16,000 *consejos* have been set up within a year. In forming a *consejo* the community must first undertake a basic census or local survey, then must reach consensus on a collective history of its area. Chavez himself is very keen to pursue the capture of oral histories as a means of deepening historical awareness. This process is like a communal Wikipedia process, pooling individuals memories of events to create a collective narrative. The Constitutional basis of the *consejos*—whose General Assembly (rather than spokesperson) is sovereign—has empowered neighbourhoods with high levels of legal awareness. The basic idea is "*Not from Above*". Freddie Bernal (Mayor of the Liberador municipality in central Caracas where we visited the barrio St Augustin) said that the Community Council "*is a basic cell of the future society*".

All those I spoke to spoke highly of the way the 'process' of community development had helped them as people, through the educative power of governance.

When the *consejos* develop their priorities, they can implement these with funding through *Fonda Comun*. Typically, projects are practical—such as community gas supply, drainage, cultural development and so on. Larger projects can be done in collaboration with other *consejos*, or at barrio level or at municipality level, depending on the scale, skills and complexity involved. The *consejos* were also highly independent, of the Chavez regime or other political poles—and act as a bulwark against authoritarian central government tendencies.

THE MISSIONS

As mentioned, the PDVSA has now started to fund a range of social 'Missions'. There is obvious pride in the Missions within poor areas. They are a bit like "schemes" in Britain, but without the negative connotations. They are looked on as a positive contribution, rather than as a palliative to long term unemployment. Empowering, rather than "shut up" money.

The *Robinson Mission* has sought to tackle illiteracy with millions passing through the programme and UNESCO declaring Venezuela free of illiteracy in early 2006. The *Ribas Mission* tackles high school drop-out, with the *Sucre Mission* overseeing the largest expansion in higher and university education ever seen in the state. The *Mercal Mission* was set up in the wake of the 2002 lock out when there were widespread food shortages. The Mercals are "Co-op" shops selling a limited range of staple foods—flour, rice, pasta etc—to guarantee food supply from future attempts at bosses lock outs.

The *Zamora Mission* aims to hand back land titles to farmers and farming Co-ops to guarantee food for the "have-nots" The *Guaicaipuro Mission* aims to restore human rights to numerous indigenous communities as well as economic development, land demarcation, strengthening identity, language, education, habitat and health. The *Cultural Mission* is a new form of university system with participants graduating as Teachers in Culture. The newest Mission is *Negra Hipolita* aimed at tackling poverty and social exclusion.

THE VUELVAR (OR "BACK TO WORK")

Mission prepares people for employment, self employment or work within the Co-operatives. The number of Co-operatives has increased from 800 in 1998 to over 100,000 today with over 1,500,000 Venezuelans working in Co-ops. Oly Millan, Venezuela's Minister for Popular Economy stresses a humane economic vision, one of putting quality of life and solidarity above profit. "*The primary purpose of the co-operatives is not to turn a profit, but to realize the potential of the country, create networks of productivity and improve quality of life. The state is a non invasive facilitator.*"

One of the most effective Missions is *Barrio Adentra*—setting up of small medical centres in barrios, with a doctor, optician and health worker serving some 250 families (3000-3500 population—the extended family is still a strong feature). An influx of Cuban doctors and medical specialists have been at the core of Mission *barrio Adentra*, with thousands of Venezuelans going to Cuba to train as their replacements.

The Missions are seen as a "special lift up" to poor sections of society which have been undertaken directly, by the grass roots and through volunteerism by way of subverting a civil service bureaucracy opposed to change. Time and again we heard from activists resentful at the irresponsible nature of an ossified state bureaucracy, variously either obstructively oppositionist, or just locked into the old ways of the former regimes. Nowhere was this more demonstrated than in education.

EDUCATION

We met with Damelyn Yeguez, an Education sub secretary of one of the Caracas municipalities, near *Barrio 23 January*, a redoubtable radical area.

"*Unions behaved very poorly. Teaching staff were and are actively involved in the Opposition. Many played a leading role in the embargo*" She referred to the US funded *Asamblea de Education*, whose leader Leonardo Carvajal was a trenchant opponent. The Catholic Church, which runs many schools, is a formal part

of the Opposition movement.

Responsible for 94 schools at primary and secondary level, Yeguez said that Mayors were given a role in Education in 2000, as the municipalities could be better relied upon to reflect more accurately the needs of society as a whole.

"Amongst the problems we have inherited are the quality of learning, low enrolments, the poor conditions of school buildings and the health of the children. In addition the content of education had little emphasis on reflecting local, national and Latin American culture and history."

In response, the municipality has tackled problems in a number of ways. Opening "Bolivarian" schools was one way. Over 1500 Bolivarian schools have been opened across Venezuela in neighbourhoods with traditionally little access to quality education. A new "Bolivarian" curriculum has been introduced. With population growth, a new schooling system is growing round the old. A programme to retire older teachers is underway, with newly trained "Interns" (3 year contracted teachers) coming in. An emphasis on local soup kitchens and on quality school dinners has underlined better nutrition at the heart of education—with further plans for school sports programmes and school educational trips. One of the most successful interventions has been a system of insurance, linked to attendance, for children providing death cover, funeral and other costs, accident and major health cover.

The Education system illustrated well how a popular administration is driving its reforms through and around an entrenched bureaucracy.

THE MEDIA

With four of the five Venezuelan TV channels privately owned and virulently anti-Chavista, only the single state station can give reasoned coverage to government affairs. On the national channel, political debate was long and intense. One debate I watched, between Chavez and four opposition journalists, lasted for 3 hours—not a soundbite in sight. The behaviour of the private media is openly hostile, with little pretence at balance. At times, in the absence of adequate political leadership of a disparate opposition, the private media have appeared to 'be' the opposition. A new station, *Vive*, operates across South America as a sort of Latin "*Al Jazeera*"—funded by Venezuelan oil. There has been an explosion of community media, radio, web and print—highly localized and often assisted by local small business. The community media give voice to a range of groups and members of the community—talk shows, educational programming, cooking shows, music programmes including salsa, hip-hop, bolero, rock and

llanero or country music. Other current affairs and political programmes make visible issues like race, rarely tackled elsewhere. In the community media, there have been sharp exchanges between the ANMCLA (National Association of Alternative and Community Media) and the administration's CONATEL (the National Commission of Telecommunications) on regulatory issues governing community media—with community radio, in particular, fiercely protecting its critical independence

UNIONS

Under the previous AD/Copei regimes, Accion Democratica, in particular, enjoyed cosy relations with the Confederacion de Trabajadores Venezolanos (CTV) union movement (which in part, was funded through the American Federation of Labour (AFLCIO). The CTV is now largely discredited, claiming to represent some 12% of Venezuelan workers. A new and rival union movement, the Union Nationale Trabajadores has emerged which—whilst not necessarily overtly Chavista—accepts and works within Venezuelan Constitution and democracy. UNT would have supported Chavez, nonetheless, in the Presidential election. It should be noted that the TUC has established fraternal relations with UNT, rather than CTV. My impressions were that the UNT was not, as yet, well organized and was prone to ideological dispute. The attitude of the MVR and Chavistas generally appeared to be that they had historical difficulties with unions, and that union organization (and attachment to adversarial methods in the workplace) sat uneasily with both workers control in the workplace. Trade union activism also sat uneasily with the neighbourhood basis of political organization. Unions were recognized in the 1999 Constitution, and no ill will was afforded to *bona fide* trade unionism. I got the impression that the Chavez view was not anti union, but was uninterested in the ideological disputation that characterizes them, and was not going to waste too much time fixing the unions as a going concern.

CHAVEZ

The Chavez factor is important. Chavez is a highly effective and charismatic communicator, at once evangelical and caring—a man with a "big heart", someone who has touched a very deep well of need. The son of two teachers, modestly raised, he graduated from the military academy and became a paratrooper, then a highly regarded trainer in the military academy. His regular (sometimes long winded) appearances on national television demonstrate well his pedagogical talent. He is a born teacher!

TO PAGE 29

Irish Times Digitalisation: from page three:

represent a special significance should be given priority for funding. An illustration of the current unhealthy state of the national heritage situation is provided by the fact that, as I write, while huge amounts of Government money is being spent on *The Irish Times* and the Battle of the Boyne site, funding is still being sought to digitise the 1,773 files of the Bureau of Military History 1913-1921—probably the most important single collection of documents relating to the birth of the Irish state. Let's hope that none of this implies that the world of museums, libraries and archives is not becoming a second front, alongside the universities, in the re-writing of Irish history and heritage.

'Big Brother' In Europe

Nick Folley

Here's an interesting site if you're interested in 'Big Brother' stuff (and I don't mean the television programme!): www.export.gov/safeharbour. It deals with US companies and organisations that are able to obtain personal data from the EU on its private citizens. And how do we know that these firms and organistaions use the data only for benign purposes and for which it was intended? Because they regulate themselves!!

The Tricolour

Seán McGouran

It is a very small point—but not, I hope, nit picking—Conor Lynch in *The Countess And The Drama Queen*, (IPR December 2006) made a reference to the Tricolour. He wrote: "*The Fenians were part of a European republican movement—that's where the tricolour comes from*".

The Fenians were part of a European revolutionary republican—and also part of a world-wide anti-colonialist—movement. So was the *Young Ireland*, which the originated the Tricolour. Meagher ('of the Sword') is alleged to have brought the idea, indeed the actual flag—from 1848 Paris—where he had done his duty on the barricades during the July Days.

Workers' Control: Some Comments

John Clayden

In his history to the Workers' Control Movement Conor Lynch advances a transcendental theory to explain its failure. This entails a certain definition of the English State and generalisation about the attitude of the English to it.

I do not propose to discuss here the merits of this theory because I feel there are more adequate historical explanations for this failure and for the attitudes of political leaders and their constituents at the time.

Nobody can dispute the achievement of Bevin and Attlee in establishing the Welfare State and its lasting effect is due to the steadfast commitment of the majority of people in UK. It came about because social conditions in time of war were especially favourable to this kind of change. It has been argued that the further extension of these gains should have entailed the passing of workers' control legislation when the opportunity arose with the Bullock proposals in the 70s.

The Communist Party and others on the left did originally oppose the 1945 proposals but I doubt it was for the transcendental reasons argued for by Conor. Rather they were motivated by their loyalty to the USSR and a distrust of Social Democracy. But the CP always assisted the Labour Party at election time and our communist house in Yiewsley High Street always provided prominent committee rooms for the Labour Party at election time from 1945 onwards.

Bevin's role during the War has to be seen within the context of the war itself. Bevin was crucial to maintaining the morale of the troops because they trusted that he would make sure things would be better when they got back—just as he had protected their welfare in the Transport and General Workers Union. There would be no return to the Thirties. He also had a reputation for early support for the USSR at the time of the "Jolly George" incident. The Soviet Union was bearing the brunt of the struggle against

continued on page 29

His Movement for the Bolivarian Revolution (MBR), set up in 1982, was an oathbound military grouping working for civilian and military collaboration in the overthrow of a corrupt regime. Chavez is from the socialist camp for sure, but reaches way beyond factions and party formations. Marta Harnecker notes that "the great merit of Chavez is that he is a leader who promotes popular organization, he is open and direct".

His appeal is only recently overtly socialist, but is primarily national—or Bolivarian. The Bolivarian Revolution sees US imperialism and neo-liberalism of corporate multi-nationals as the source of many of Venezuela's ills. Bolivar's 1825 prediction that "the United States of North America is destined by providence to plague the people of the Americas with hunger and misery in the name of freedom" chimes well with Chavez's desire to staunch the flow of produce and wealth previously funnelled by a privileged elite to the banks of London, New York and Geneva. He preaches national sovereignty, Latin American solidarity and unity and has broached the issue of a Latin American NATO and a single regional currency and will work for a restoration of the 18th Century Gran Columbia (Columbian, Venezuela, Equador unity), linking with Cuba, Argentina and Brazil to form a bulwark against neo-liberal and USA interference (of which there is plenty).

The manner in which he has connected and activated previously disengaged and impoverished sections of society—the indigenous peoples, the *companeros* (small farmers, 10,000 of whom rode on horseback through Caracas last year in support of Chavez) and women in society that has made the difference.

Chavez is of mixed race, and looks discernibly indigenous. A rarely spoken race hate by the wealthy and white settler class goes some way to explaining the fear felt for the Chavez administration (the economic interests of the wealthy have been left largely untouched). Repeated US backed efforts to destabilize this very democratic, grass roots development are lavishly funded. In view of covert US efforts to destabilize the elected government, that Chavez is a military man has helped secure robust counter intelligence efforts.

The importance of Chavez to the Bolivarian development is considerable—to the extent that political assassination is a live threat (as the recent discovery of a Columbian plot to kill Chavez demonstrates). The danger of over-reliance on Chavez is a danger to the long term health of the Bolivarian revolution—one which the muted Constitutional referendum to allow Chavez to serve more than 2 six year terms do not address.

TO BE CONCLUDED NEXT MONTH

Fascism and criticism by the right and the establishment of socialist ideas was muted. The left was united, with the CP backing restrictions on strikes and other measures. The Trotskyists were negligible. It was a widespread conviction that the war providing an opportunity for change. To illustrate this I include some quotations from *Co-operation's Opportunity*, a pamphlet the Men's Guild published in the 1940s, written by Reg Gosling, the President of The London Co-operative Society, who was by no means a leftwinger. (There is no date on the pamphlet—it says on the front cover 194? The back contains an advertisement for the Co-operative Wholesale Society and it is printed by The Co-operative Press Ltd Manchester.r)

It gives an indication of the state of feeling at the time. He starts by calling for support for the Indian National Congress and the USSR. And says—

"an electoral truce is not necessarily a reason for a political truce" (p2).

"Among other changes, I believe the state of war leaves the door open for political education. Under proper guidance, the stark realities of the madness of capitalism is for all to see.

War conditions also present a vital opportunity for adopting social and communal methods of living together that can be made enduring

We need, therefore, an extension and widening of political education. Through all forms that exist we should approach the new generation and the newly awakened thinkers. Psychologically they are with us, and their anti-Nazi feeling must be harnessed to some constructive outlook" (p5).

"The function of planned progress is to make you a happier and more effective person, more glad to be alive in the place where you are alive.let us make sure that this time we remember minds as well as bodies, babies as well as baths, hopes and fears and beers as well as taps and switches and pedestrian crossings" (p5).

"It is not correct to moan and complain of abuses against the movement. We always have been subject to them. It is correct to point out that within capitalism we have always been the subject of intense opposition. It is because of the wrongs of capitalism that we exist" (p6)

"Ernest Bevin pioneered ideas such as the welfare state and workers' management and took the favourable opportunity afforded by the war to realise them as much as possible but in doing so he took pains to carry his Trade Union constituency with him. He seized the opportunity of the times but not as an isolated dictator" (See *Ernest Bevin: The Trade Unionist* by Jack Jones published Athol Books 1992).

The wartime truce on socialism was rapidly replaced by a propaganda war against the Communists and the USSR once the war was over and Soviet Union had fulfilled its task of preserving European Capitalism. This move was especially virulent in the USA under the McCarthy witch-hunt and by many local committees.

The left was split. The social democratic gains were tolerated out of fear—for Stalin had indiscreetly predicted to the American Ambassador, Avril Harriman, there would be a return to post-1918 conditions and that this time the European Working-class would turn to him.

As if to prove the point, once the USSR collapsed, a concerted attempt was made across Europe to dump "welfare capitalism". Meanwhile in the UK people still cling on to the NHS.

For Jack Jones in the T&GWU, Bevin was his mentor and he later became General Secretary as well. As he explained in the above pamphlet, this motivated him to support the Bullock proposals (for worker's control). But conditions were no longer as favourable as during the war. The employers were vociferously against any curtailment of their power, the right wing trade unionists were no longer advocates of social change and the left was divided and riven with Trotskyist revolutionary rhetoric or moribund Communist Party dogmatism. The CP was also able to enlist a bloody-minded nihilism which existed in some of the working-class, a legacy of the disruption caused by the brutality of the industrial revolution. Under these circumstances it is not surprising that the case for workers' control was not heard let alone implemented.

On a personal note, for family reasons and from an early age I was a convert to the idea of industrial democracy but, despite the fact that in the early 70s I got an enthusiastic response from fellow workers when agitating for it, which led to an "uprising" at Perivale Training Centre (helped I think because there was a seeping into the working-class of the ethos of the 60s), I never became aware of the Bullock Proposals until I came across BICO literature sometime after the moment had passed.

Tax Schemes continued

impact either in terms of employment or in relation to the wider economy.

"What is shocking is the lack of evidence to make such a radical extension to a highly dubious scheme," said Sweeney.

"The scheme takes a blunderbuss approach. It mounts up in costs, goes to unintended targets and the effects are negated in the end."

"The ICTU also complained that the BES projects were a stimulus to business at a time when the economy was booming."

The cost of these schemes to the taxpayer is likely to be far higher than the stated Euro 178 million, because most tax expenditures are underestimated. The tax forgone by the Exchequer will be made up by working people, Sweeney said. *"It is a tax avoidance measure"*, he added. (The Irish Times, 21.12.2006).

A PERSONAL EXPERIENCE!

The present writer had a direct experience with the Business Expansion Scheme: it involved a company with a turnover of Euro 50 million at the time, 60 employees and production line equipment!

The project involved the setting up of a new company which purchased the production line equipment from the parent company. The new company had virtually the same directors.

The exercise provided the parent company much sought revenue which they converted into an impressive balance sheet for the next financial year.

If *"Tax Avoidance"* is the reduction or minimization of tax liabilities by lawful methods, the above case would leave the term *"Tax Evasion"* meaningless!

He may be Minister for Enterprise, but I doubt if the present incumbent would have a 'flea's notion' of what business or even work is all about!

GOVERNMENT: A STEP AHEAD!

"The government received informal approval from the European Commission before announcing that it was extending the Business Expansion Scheme (BES) for another seven years and increasing its investment limits.

"The commission previously carried out a detailed examination as to whether BES constituted state aid. The commission eventually approved the

schemes, but only after intense lobbying by the government.

"Senior figures in the Department of Finance said the move by ICTU was "a significant headache", but were confident that Europe would agree the changes to the scheme.

"One source said that they had already obtained informal clearance prior to the announcement in the budget" (Sunday Business Post, 24.12.2006).

ICTU STATEMENT

Congress is to lodge a formal complaint with the European Commission on the government's decision to extend the Business Expansion Scheme and the Seed Capital Scheme.

Congress Economic Advisor, Paul Sweeney, described the measures—announced in the Budget—as *"expanded vehicles for tax avoidance for wealthy people. They are also state aid to the business sector at a time when the economy is booming."*

Congress is lodging the complaint with the Commission on the basis that, as state aid, the schemes require EU approval. Under provisions announced in Budget 2007 the amount an individual can invest under the schemes was increased from Euro 31,000 to Euro 150,000, while the amount a company can receive was raised from Euro 1m to Euro 2m.

According to Mr. Sweeney, the schemes—

"may appear as if they are helping small businesses, but their main effect is to shield high income earners, who 'invest' in what are too often risk-free BES schemes, from income tax.

"The cost of these schemes to the taxpayer is likely to be far higher than the stated Euro 178m, because most tax expenditures are underestimated. The tax forgone by the exchequer will be made up by working people."

He also pointed out said that the decision to extend and expand the schemes runs entirely contrary to stated Government policy, which is to reduce rate of taxation and eliminate all tax breaks and loopholes.

Recently released figures showed that 14 millionaires paid no tax in 2003, by utilising such tax breaks and loopholes.

Mr. Sweeney pointed out that Congress

did not oppose genuine initiatives to support small businesses, but that tax-based schemes were not the way forward.

"What is required is initiatives from the banks and other financial institutions to more readily give loans to small businesses. Greater competition in the financial services sector must be encouraged by government and regulators to make this happen," Mr/Sweeney said.

He noted that a recent survey by Price Waterhouse Coopers found Ireland had the 21st lowest cost of tax compliance, in the developed world.

December 19, 2007

Publications Paul Sweeney

Selling Out? Privatisation in Ireland

This is the story of privatisation in Ireland—who made money, who lost money and whether the taxpayer gained. It sets the limits on privatisation—what should not be sold for money—and it shows that privatisation is about not only ownership but also public influence and control. It proves that this government has already sold out key assets, that consumers now pay higher prices and competitiveness has been lost.

Examining the story of the Eircom privatisation, Sweeney shows how this triumph for 'popular capitalism' was, in fact, a hard lesson in why some state assets should never be privatised.

Sweeney quantifies the billions in gains made by the state on its investments in the state companies and how much the remaining companies are worth, and he proposes reforms to dynamise the remaining state companies to the advantage of the taxpayer, the consumer, society and the economy.

Paul Sweeney, Economic Advisor to the Irish Congress of Trade Unions, was a business and economic advisor for several years and worked for SIPTU. He is Chair of its Economists Network.

He has been a board member of ESB and an ESOT director. His books include *The Politics Of Privatisation And Public Enterprise* and *The Celtic Tiger: Ireland's Continuing Economic Miracle*.

Tax Schemes continued

in their business.

ICTU says the proposal to extend the scheme is illegal because it is State aid which has not been approved by the EC.

"The money seems to be going to places like Java Republic and Wrights of Howth and the marina in Cork—hardly productive industries and hardly industries which need tax subsidies," said Paul Sweeney.

ICTU also says that the scheme's Euro 178m price tag over the next seven years is a waste of the taxes being paid by the affiliated Unions' 600,000 members.

Mr. Sweeney said ICTU would urge the EC to look at "*who was really benefiting*" from the scheme.

Chambers Ireland Director of Policy Sean Murphy said the Irish economy is over-dependent on construction and foreign direct investment to create jobs and tax revenues and the BES scheme was for future competitiveness.

"Chambers Ireland called for an expansion of the BES scheme in our pre-budget submission, and applauded Minister Cowen's decision as a positive step towards enhancing wealth creation in Irish society. We also specifically sought to ensure that the scheme is not used as a substitute or replacement for property based tax avoidance schemes which ultimately contribute little," he added.

Here's a real revelation coming from the business sector: "property based tax avoidance schemes... ultimately contribute little" admits Chamber Ireland!

The Irish Taxation Institute sings a different tune:

"If we have learned anything over the past 10-years, it is that innovative tax policies work. Innovative tax policies stimulate economic activity, create employment and generate revenue for investment in public services." (Irish Examiner, 20.12.2006).

"*The reality is we simply do not know the extent to which BES is being abused despite the fact that in the last five years alone the amount of money foregone by the Exchequer in respect of BES was Euro 91 million, or an average of just over Euro 18 million a year*" (John McManus, Irish Times, 10.01.2005).

The ICTU opposition to the BES schemes has certainly 'raised a few hares', as well as bringing out a few home-truths

: the businessman's organ, *The Sunday Business Post*, had this to say about about property based schemes:

"Unlike many other tax schemes, investments under the BES schemes generally involve a considerable measure of risk. They also provide clear boosts to the economy, unlike many of the myriad property schemes of dubious benefit, most of which are now thankfully drawing to a close.

"...it was a range of property-based schemes—many of which had a questionable initial basis and were certainly allowed to continue for too long—which were responsible" (Sunday Business Post, 24.12.2006).

These views were a long time coming!

Poor old Micheal Martin, the Minister for Small Business got into a state of apoplexy: "*utter disbelief*" was his reaction. Surely this Trade Union crowd are not starting to take themselves serious?

"The BES scheme has helped small businesses to create thousands of jobs, and this expansion will support an enterprise culture," said Minister Martin's statement.

"The expansion is in line with the proposal of the small business forum which has been working and considering the issues facing firms over the past 12 months.

"The suggestion that the scheme would be used as a tax avoidance measure flies in the face of the reality that anyone who invests in business is taking a risk."

"*I am inviting the Congress of Trade Unions to meet with me to discuss its concerns, and ensure that we continue to develop an environment which supports small business and the jobs it provides across the country,*" concluded Mr. Martin.

MARTIN STRIKES BACK!

"This week, in order to bolster the case for the schemes, the Government published details of a survey of 1,400 companies that participated in the most recent version of the BES.

"Its findings show that of those companies, 40 per cent, or 560 of them, used BES cash to create new jobs.

"Close to 60 per cent were in the key area of manufacturing, while one in three used the money for research and development. Just over 300 of them raised the maximum Euro 1 million allowed under the previous BES regime.

"Most of the beneficiaries were small companies, which were by and large happy with the outcome. So were the people who put cash into the scheme.

"Close to 60 per cent of those who invested declared themselves to be either very satisfied or satisfied, which presumably indicates that they got a return—or at least a run for their money" (Irish Times, 12.01.2007).

ICTU HIT BACK!

But Congress wants a full review, not just a summary of its findings, before commenting at length.

This should include such things as the actual amount it cost the taxpayer and a cost-benefit analysis.

The ICTU argues that the Government should have done the review before deciding to extend the schemes.

It says it has already done a lot of research in this area, and that a similar review, done in 2001, bears out its argument.

CONGRESS PROPOSALS

Congress does propose a number of alternatives to the schemes.

These involve handing taxpayers' money directly to small firms in the form of grant aid, or to the banks, by subventing small business loans or interest repayments.

"Perhaps what is required is that the State would pay half the interest in approved small firms for say five years, with a ceiling, or alternatively, to guarantee one-quarter of the loan also with a ceiling," ICTU says.

"This involves the banks' expertise in assessing the risk in such firms and gives them a degree of certainty on their loans."

Overall, it argues that more competition in financial services would make it easier for small enterprises to get capital.

"Business people such as Jerry Kenneally from Tralee, are not so quick to write off BES. He raised Euro 250,000 through the BES in 1999 and last month sold his company Stockbyte, for Euro 110m" (Sunday Tribune, 21.05.2006).

Stockbyte sold out to the U.S. giant, Getty Images!

"MONDAY FOR OLD ROPE"!

"All of the criticism is coming from the beneficiaries, but nothing from independent observers," Paul Sweeney stated.

The decision to extend and expand the schemes runs entirely contrary to stated Government policy, which is to reduce rates of taxation and eliminate all tax breaks and loopholes, said Sweeney. Wealthy earners are hiding behind the small business lobby to preserve tax breaks through the scheme, he argued.

ICTU has also argued that some of the BES projects have little commercial

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"One would have to question if the policy advisers in ICTU are living on the same planet as the rest of us... the union's luddite policies represent a pernicious threat to the country's economic growth and development" (Mark Fielding, Chief Executive of small business lobby group, ISME, 24.12.2006).

ICTU Oppose Tax Avoidance Schemes

THERE have been angry reactions to the move by the Irish Congress of Trade Unions (ICTU) to complain to the European Commission about extending the life of Business Expansion Schemes (BES) and Seed Capital Scheme (SCC).

Small firms group, ISME accused the ICTU of sabotaging the national economy.

The ICTU believes the schemes are a vehicle for tax avoidance by wealthy individuals and, by extending the amount individuals investors can pump into companies under the schemes, ordinary taxpayers will bear the cost.

In early January, 2007, the Commission's Competition Directorate pledged to investigate the schemes. If it decides they are illegal, it can prevent them from going ahead.

In its letter to the Commission, Congress says the Government is simply acquiescing to a call from its Small Business Forum, which it describes as a self-interested group of "small business people".

The European Commission has to approve the plan to extend the BES by another seven years, doubling the amount companies can raise to Euro 2 million and upping the ceiling individuals can invest from Euro 31,000 to Euro 150,000, as it constitutes a form of State aid.

The changes were announced by Finance Minister Brian Cowen on budget day with the intent of helping small firms.

However, business groups were furious with the ICTU's decision.

ISME Chief Executive Mark Fielding said the BES schemes have benefited hundreds of companies and led to the creation of thousands of jobs.

"Obviously this goes against the outdated principles of Congress who have also, in the recent past, called for significant increases in capital gains tax and corporation tax.

"One would have to question if the policy advisers in ICTU are living on the same planet as the rest of us and actually understand that enterprise is good for the economy and society in general. The union's Luddite policies represent a pernicious threat to the country's economic growth and development."

A statement from the Minister for Enterprise, Trade and Employment, Micheal Martin, said his reaction to the news of ICTU's move was one of "utter disbelief". The Minister's department is responsible for the promotion of small businesses.

ICTU economic adviser Paul Sweeney said Congress did not oppose genuine initiatives to support small businesses, but that tax-based schemes were not the way forward.

"What is required is initiatives from the banks and other financial institutions

to more readily give loans to small businesses. Greater competition in the financial services sector must be encouraged by Government and regulators to make this happen," Mr Sweeney said.

ICTU also claims the BES scheme should not be extended because its main function is—

"to allow high earners to avoid tax". "Allowing people to invest Euro 150,000 tax-free beggars belief," Sweeney states. "It is a tax avoidance mechanism for high-earning people" (Irish Independent, 20.12.2006).

The BES scheme, which allows investors to claim tax relief for investments in selected companies, was due to expire at the end of 2006.

The BES relief has been in existence for 23 years.

However, this year's Budget extends the scheme's lifespan by another seven years and raises individuals' investment thresholds from Euro 31,750 to Euro 150,000.

The BES is designed to provide a cheap source of equity finance for start, up or developing companies and is a much needed support for aspiring entrepreneurs.

In theory, the BES relief only applies to companies operating in particular lines of business, such as manufacturing, R&D and various other strategic qualifying activities.

Minister Cowen also announced enhancement measures for the Seed Capital Scheme.

The Seed Capital Scheme (SCC) is largely designed to encourage previously employed people to start up their own businesses. Such individuals can claim a refund of tax on the investment they make

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