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Melting Down Ireland?

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

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

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

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

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

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

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Sarkozy Puts the Boot in.....

There are some benefits to the present Euro crisis—reality keeps breaking out. In his demand that the Irish get rid of its corporate tax rate Mr. Sarkozy has driven another nail in the Lisbon Treaty coffin. That legal concoction, with all its protocols and promises and which is supposed to be the centrepiece of the EU, is in tatters. Its great defenders such as Pat Cox and Brigid Laffan are silent and what a great additional benefit that is.

Mr. Sarkozy is a great admirer of the virtues of Anglo Saxon competition but for some reason that admiration does not apply in this tax area. What Ireland has is a competitive corporate tax rate. He could lower the French rate if he wishes.

"Mr Sarkozy also reiterated his call for common 'European economic governance'.

"We cannot share the same currency while having different economic strategies. It doesn't work'..." (Irish Times, 14 January 2011).

A call for more economic governance in the EU is quite logical—if we were in a real Union. But, if there are very different economic needs and imperatives, which there clearly are, then different strategies are needed and are in fact vital.

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Remember Milton Friedman?

Chancellor Merkel, like former Prime Minister Thatcher, likes to extol the economics of the Dickensian housewife: a country should not spend above its means—a doctrine that is both true and false. As Keynes demonstrated, a capitalist country has to spend above its apparent means if it is to escape chronic slumps. The main thing is to make the best use of resources within a country, with labour at the top of the list.

Milton Friedman was the great

monetary theorist when Mrs. Thatcher came to power and she took his message to heart. His nugget of wisdom was that inflation in the West was caused by an excess of monetary supply, too much cash was floating around. States were overstimulating their economies by creating too much money. (In fact the inflation derived from the USA printing money to finance the Vietnam War and exporting its devalued dollars around the world, bringing inflation wherever they went.)

His view was that, if the physical supply of money circulating was reduced, inflation would disappear. In 1976 he got a Nobel prize for this. The citation noted "*his achievements in the fields of consumption analysis, monetary history and theory and for his demonstration of the complexity of stabilization policy*". (Incidentally, America is exporting more devalued dollars than ever.)

This was the era when Western

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Labour Comment, edited by **Pat Maloney**:
A Tale Of Two Countries

(back page)

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

The economic crisis is being used as an opportunity for creating a sense of Constitutional crisis and demanding a new Constitution. But the crisis had nothing whatever to do with the Constitution—at least not with the Irish Constitution. It is a crisis of globalist finance capitalism, and of a European Union that has lost its bearings through random expansion, merging with the offensive militarism of born-again NATO, and descending into free-market capitalism under British influence.

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

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

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

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

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

"Last year is dead, they seem to say,
Begin afresh, afresh, afresh.

...*The Trees*, Philip Larkin

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

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

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

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

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

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

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

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

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Islandmagee And 1641

I'm not surprised that the *Irish Times* declined to publish Pat Muldowney's letter to the paper, reproduced in your December issue, in which he repeats the assertion of Thomas Moore ("Captain Rock") that there was a massacre of three thousand Catholics in the Islandmagee peninsula—a small area on the east coast of County Antrim—which predated the massacres of settlers in different parts of Ulster in 1641.

What amazes me is that the myth of the Islandmagee massacre continues to be presented as historical fact. It's especially disturbing that it should find a place in the columns of *Irish Political Review* which has been so relentless in its pursuit of historical shoddiness in other quarters. And, at a purely human level, is Irish history so short of real life terrible violence that we have to go about perpetuating the memory of imaginary massacres?

Now for some facts: Moore's source was an anonymous pamphlet with the initials "R.S." appended, which was circulated in London in 1662. Depositions in the east Antrim area that were taken within ten years of the alleged massacre failed to mention it. Nor was it referred to in the *Remonstrance* presented to the King's Commissioners at Trim in March 1642, when one would have thought it would be a burning issue.

The total number of settlers killed all over the Ulster counties in late October and early November 1641 was probably no more than about four thousand, in what was undoubtedly a very violent passage. The numbers were later exaggerated, not just for propaganda purposes, but because of the general panic, mayhem and homelessness that ensued. And we're expected to believe that in a remote corner of County Antrim, with a population that was probably around fifteen hundred a couple of centuries later, there were three thousand peaceable Catholics thrown over the cliffs at the Gobbins. This was surely a massacre on an industrial scale.

When is this supposed to have happened? Pat thinks it was carried out by way of retaliation for a massacre that hadn't (yet) taken place, so it was a case of the settlers or whoever getting their retaliation in first. That must place it at a date before late October 1641. Very conveniently, Moore dates it to 13th October 1641, but the in the other references by those writers who have argued for the historicity of the massacre the dates are early November 1641, or, in the alternative, 8th January 1642.

The next question is, who was responsible? The proponents of the January 1642 date tend to blame the Scottish troops under Munro. But whatever date we go for, Munro has an alibi, because the Scots didn't cross over until late April 1642. Pat hedges his bets somewhat by referring to the "*Protestant settlers and soldiers from Scotland*". If we take the Scots out of the equation then we have a simple massacre of Catholics by Protestants without any context or explanation.

Pat tries to place it in the context of the Solemn League and Covenant, with its expressed intention to extirpate Popery, prelacy etc. etc. in the three kingdoms. The snag with this is that the Solemn League and Covenant dates from 1643. It was basically a deal done between the desperate English Parliamentarian forces and the as yet undefeated Scots. It was a deal the English didn't quite deliver on, but that's another story. Pat has made the mistake of conflating the Solemn League and Covenant with the original (and best?) Scottish National Covenant of late 1637, which had in view the restoration of worship in the Scottish church to its primitive purity of around 1580.

Some of the accounts of the Islandmagee massacre mention the involvement of men from Ballymena among the culprits, which is interesting, in that the numbers had to be bolstered somehow, but again there is a lack of any attempt to explain these movements, let alone why the apparently huge Catholic population of Islandmagee had become so offensive to their Protestant neighbours.

If something happened in Islandmagee in the late autumn of 1641 it certainly wasn't the Thomas Moore/Pat Muldowney story, which is really just an example of tribal propaganda. I'm persuaded that something did happen, but it was something completely different. I'm indebted to local historian Felix McKillop for an alternative account, which has the merit of internal coherence, and a beginning, a middle and end. It's an exciting story too, ranging from the Hebridean island of Islay to Ballycastle, through the Antrim hills, and ultimately Islandmagee. According to McKillop thirty of the Ulster Gaelic army were killed at the Gobbins. And yes, Scots were involved, but they were Gaelic-speaking Hebridean Scots.

By way of postscript, I read somewhere that Father James O'Laverty in his two-volume *Annals of the Dioceses of Down and Connor*, first published in the 1880s and republished in 1987, concludes that only one person was killed at the Gobbins, an elderly woman!

Stephen Richards

if he returned and commented.

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

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

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

"The fact is that Fianna Fáil has bought into the neoliberal consensus: that the state has no place in the economy, that economic growth is paramount and free markets are the engine of growth, that monetary incentives are indispensable to economic success, and too bad about inequality but we will do our best to deal with consistent poverty! So too, incidentally, has Fine Gael and the Labour Party bought into that consensus, however much the latter may now protest this is not so..."

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

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

"Mr MacSharry, dubbed 'Mac the Knife' because of his sharp cuts of public expenditure in the 1980s, gave the Government 'two' out of 10 for its handling of health and warned that the HSE [Health Services Executive] which controlled one-third of the entire budget, had to be taken back under ministerial control. 'I would never allow a situation where €5 billion or €6 billion of taxpayers' money would be handed over to an organisation to spend in whatever way they like. That is wrong, it's not democratic and it will have to be changed', he told a seminar in

the Dáil of former parliamentarians. He also said the National Roads Authority and the Higher Education Authority should be back under ministerial control" (*Irish Times*, 22 January 2010).

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

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

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

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

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

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

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

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

save the State, and then return to the plough—centuries before Rome became a prosperous and cultured Empire, and centuries before the Empire became degenerate and was preserved by Christianity.

OK Fintan. We're game. Just lead the way!

(But has your secret Directory approved?)

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

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

"IRISH MELTDOWN

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

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

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

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

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

"Fianna Fáil will almost certainly be

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

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

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

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

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

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

Democracy is not some general principle of harmonious government. It is a highly artificial system of conflict, arrived at through particular historical development in certain situations. It is a system of egoism, made functional by the combination of individual interests into collective vested interests. In ideal, it is an individualist system in which each competes against all in a medium of perfect equality. But it

is not practicable on that basis. And its weakness in Ireland is that the workers are not present in it as an effectively organised vested interest.

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

The Proportional Representation system of political representation, imposed by the Treaty, was intended to weaken the State by preventing strong government. De Valera understood that when reforming the Free State system in the 1930s, but he reckoned that, if he had included a reform of PR in the new Constitution, that would probably have caused the whole Constitution to be lost.

Subsequent attempts to reform PR by referendum were lost because of a vested interest in it by the Opposition parties. Fine Gael and Labour presented reform of PR as an attempt by Fianna Fail to establish itself in dominance. But it had already established itself in dominance despite PR, and De Valera's purpose was clearly to encourage the development of an effective two-party system, in place of the system of one and two halves. His concern was for the viability of the State of which he was in great part the creator, but that was not admissible in the heat of party conflict. So PR remained, and Fianna Fail continued to be in office most of the time.

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

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

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

It seems that the two half-parties of the traditional Opposition, who cover up their disagreement with each other in the hope of gaining office, are about to have their

stint in office. In order to get it, they have set policy aside completely, relying on Fianna Fail having sorted out the crisis with measures that they opposed.

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

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

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

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

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

These media personalities are a froth on the substance of political life—it is not surprising that the bubbles burst when it was time for practical application. This was the moment for the media pundits to show what they were made of—and they have.

Sarkozy

continued

"I deeply respect our Irish friends' independence and we have done everything to help them. But they cannot continue to say 'come and help us' while keeping a tax on company profits that is half [that of other countries]..." (ibid.)

I understood that the 'help' is a loan that will be paid back and that the 'help' was given whether we liked it or not. It was 'given' for the benefit and survival of the Euro. That is its only justification. That is the gain for the pain.

The Eurozone authorities stress-tested the Irish banks a few months ago and they passed the tests. Then these same authorities panicked in the face of the demands and threats from the bondholders and Ireland was to be the sacrificial lamb to show how a Eurozone country could be made to behave for the benefit of these markets. It was done *'pour encourager les autres'*. It was not Ireland that panicked and moved the goal posts. But it is paying for their moving by the Eurozone authorities.

Clearly, Sarkozy does not see it that way and in his view Ireland is paying a price for its own misbehaviour and is going through this austerity for no greater purpose than punishment for its sins.

Mr. Sarkozy's regards it all as an issue of balancing of the books in public finances: *"I want a constitutional rule that will demand a return to balance of our public finances'..."* (ibid).

The behaviour of the banks disappears from sight—but the major problem is a banking problem, not a public finance problem, and it is a blatant distortion of the situation to treat it as he does. Ireland's public finances were in better shape than most and by themselves would not have caused the current crisis.

Sarkozy outlines his vision:

"French people wouldn't want France to face the situation that some European partners are facing, wondering at the beginning of each week if they are able to pay their bills', Mr Sarkozy said. France must be independent, cut spending, cut the deficit and pay back some of its debt"(ibid).

So his Europe will be a collection of 'independent' countries, each with its books neatly balanced. If this is the economic governance he has in mind, it is just an accountant's dream. The obvious question is what the 'added value' for Governments and their electorates could be if that is all there is to it. And where is the added value of a political 'Union', if the object is to

create 'independent' countries which are a virtue unto themselves. In all this Mr. Sarkozy inadvertently poses the question of what the EU is at this time. He has made his political vision for it clear enough so far—its integration into NATO, full, active co-operation and integration with the USUK view of the world. And Obama has awarded him the prize of 'closest ally' for his efforts. And now he wishes to have a collection of 'independent' states in the EU, each keeping its fiscal house strictly in order. It is impossible to imagine an EU without a leading role for France—but, if this is what France has to offer, it means nothing but disaster for the EU as a political project.

.....AND MERKEL HAS A PLAN.....

Merkel's new plan is called *'Eurozone 2.0'* and it is reported that:

"What Berlin sees as necessary is contained in the draft policy paper: wide-ranging harmonisation measures within two years, even if these changes require treaty change. *'It can't be the case that the slowest dictate the pace, nor is it about doing everything in a mediocre fashion'*, said Dr. Merkel of her plans. *'Instead every state should become more financially stable and economically competitive—for itself and for Europe.'* The Berlin plan is not about 'levelling' differences, officials say, but about *'removing large discrepancies'*. In recent off-the-record briefings, the German leader has shown an unusual determination for the task she has set herself." (Irish Times, 19 March 2011).

This harmonisation gels very well and is no doubt already agreed with Sarkozy and his vision of competing, 'independent' states within Europe. Competition is a very unusual form of harmonisation and, if words are to retain their meaning, it is the opposite of harmonisation. In 'competition' someone usually wins and someone usually loses and a draw usually means a replay. That's fine in sport but relations between nations within a political union are not (or rather should not be) like sport. It's a bit like players in a team deciding to play against each other rather than playing the other team—and it's not usually possible to do both at the same time.

If Helmut Kohl had taken this attitude to the unification of the two German states, how long would he have to wait for harmonisation, never mind unity? Kohl broke every law known to economics in the interests of German unity and it has been a great political success followed in turn by a great economic success. Kohl knew what was primary in these matters. He was also prepared to break every economic law for the sake of European

unity because he had a concept and purpose for Europe. That vision no longer exists. Therefore we have the current economic problems.

....AND BARROSO LOSES IT!

EU Commission President Barroso lost his temper when responding to Joe Higgins in the European Parliament. Higgins accused the EU of being responsible for the austerity programme that is the condition of the EU/IMF bailout. The attitude that Barroso betrayed is more significant than most things that are happening in Irish politics at the moment. He said:

"To the distinguished member of this parliament that comes from Ireland, who asked a question suggesting that the problems of Ireland were created by Europe, let me tell you: the problems of Ireland were created by the irresponsible financial behaviour of some Irish institutions and by the lack of supervision in the Irish market..."

"Europe is now part of the solution; it is trying to support Ireland. But it was not Europe that created this fiscally irresponsible situation and this financially irresponsible behaviour. Europe is trying to support Ireland. It is important to know where the responsibility lies. And this is why it is important that those of us and this are clearly the majority, who believe in European ideals, that we are able, as much as possible to have a common response" (IT, January 20, 2011).

The European Commission is the institution that is supposed to be the mediating element of the EU project, the institution that does not take sides in international issues. Every issue, even if it is of consequence to only one State, must be an EU issue in its eyes. It should also be the element that is objective about the other EU institutions. But now, it is clearly a body that has been sidelined in the corridors of the EU and no longer has that overarching role to play. It is inevitable therefore that its President would get frustrated in this situation. Members States and the ECB [European Central Bank] have done their own thing and behaved erratically in recent months—and they have done nothing to keep the Commission in the loop. Like the Parliament, it is now merely an afterthought in the minds of the movers and shakers in Europe.

It is not the role of the President of the Commission to counterpose the behaviour of 'Europe' to the behaviour of any Member State—even if that state had made mistakes in any area. Until a new European polity is created, no Member State can be judged to be irresponsible by 'Europe', even if that were technically true—which it is not in

this case. Ireland followed the EU rules to the letter and its banking system was declared satisfactory at regular intervals. The Irish banking system was an integral part of the European banking system and its behaviour was known to the ECB—and, if it was not, then it is the fault of its Governors and Directors. The movement of billions of Euro cannot really be hidden from a Central Bank and, if it had been so hidden, then that Central Bank is not fit for purpose.

If Barroso gets away with his blame game and with this counterposing of 'Europe' to a Member State, it is the death knell of the EU project. It is nothing short of disastrous for the EU project.

Jack Lane

What Germany Really Thinks

Der Spiegel is a fabulous magazine, providing plenty of useful information, now also available in its English-language online edition. This at least offers some different angles in the new global press, which is otherwise uniquely dominated by the Anglo-Saxon world view, through *The Economist*, *Financial Times* and *New York Times*. But as a source for the direction of things in the German and the German mind, *Der Spiegel* should be treated with caution.

Among political forces in Germany no one takes it too seriously, except when it acts as an outlet for exposures of political wrong doing or corruption. It was established in 1949 in Hamburg, a careful construction of the British Military Government. Its purpose was to develop Anglo-ophile sentiment and to scold Germans for their awfulness (sound familiar?). It regularly features lengthy articles implicating ever greater numbers of the general population in the crimes of the Hitler era, often to the point of absurdity (an article a few years ago examined the complicity of German youth in the Holocaust), accompanied by editorials on Germany's unique guilt. *Die Zeit*, another Hamburg journal of similar provenance, adopts a similar approach, though at least tries to make it politically functional, which is not a concern of *Der Spiegel*. *Die Zeit* is a story in itself, for another time, but one of its Editors (and still guest columnist) is Helmut Schmidt, the long-time SPD [Social Democratic Party] Chancellor.

The *Spiegel* was the standard bearer for Fritz Fischer's tendentious theories telescoping the Hitler Reich with previous regimes, and generally propounds the view

that German history has been one long tragic mistake, that can be remedied only through a full and contrite submission to the will of the 'West'. Its original Editor, Rudolf Augstein (who lasted in the post until about a decade ago), regularly produced personalised columns expressing this position, especially when liberal opinion believed the state had disgraced itself again by some slip-up on the "brown" question. *Der Spiegel* continues constantly to warn the Germans (and the world) about their nation's deep flawed instincts, against which the state must be ever watchful. This is a general German liberal line, and a key message repeated *ad nauseam* by Juergen Habermas. The *Spiegel* will indulge any theory, the more sensationalist the better. Its current pet project is promoting opinion in favour of scrapping the Euro. But in the real world of political/economic interest there are few if any proponents of such a strategy, and *Spiegel* commentaries to the contrary should be taken with a grain of salt.

Many newspapers/magazines were set up in the late 1940s in a similar way to *Der Spiegel*. Boards of Directors and Editors were appointed directly by the Military Government press chiefs. The discredited British press baron, Robert Maxwell, was the British Military press officer who 'organised' the setting up of the *Berliner Tagespiegel* as the mouthpiece of the Western powers in Berlin in the run in to the 1946 elections which it (very substantially) helped ensure the SPD would win in the city. In the 1950s and 1960s this new press was often disparagingly called by the populace the "*licensed press*" {*lizenzpresse*}.

There are some exceptions. One is the *Frankfurter Allgemeine Zeitung*. Frankfurt, for starters, was in the US Zone, which was spared the excesses of the social/cultural engineering inflicted by the zealous Brits. The US authorities knew they would need the Germans for purposeful activity in seeing off the Soviet threat. To do that they needed some real press, and so the old *Frankfurter Zeitung* which had continued in existence throughout the Third Reich was reborn with minimal change of personnel, though some old national liberals who had 'retired' in 1933 were brought back into its editorial leadership. Since then it has functioned as the organ of the deep state in Germany.

On 29th December 2010 the *FAZ* published an interview with the head of the Bundesbank in which he categorically stated that German interests were incompatible with populist notions of a return to

the D-Mark (and that any such project would be vastly more costly than one ensuring the survival of the Euro). This interview brought the *Spiegel* charge on the issue to a shuddering halt.

To give a flavour of what Germany really thinks, here is a tough front page *FAZ* editorial from 18th December 2010—complete with a few uncompromising swipes at Ireland—commenting on the December EU Summit:

"EU Summit

"Bending and flexing

"The Euro is to be saved by bending, breaking and twisting the rules. And at the expense of those countries that have largely kept to them. In the EU there is no lack of solidarity, but of discipline. The basic remedy can only be a common economic policy.

By Berthold Kohler

18th December 2010

"The EU Member States shun treaty changes like the devil avoids holy water—too cumbersome, too risky, too dependent on Ireland. But now, tormented by the Euro-crisis, the European Union is set to take this step, albeit in a 'slimmed down' form, to get around Irish stubbornness in these matters. By 2013, a permanent rescue umbrella is to be cast over the euro zone. The scrapping of the basic principle that in the Monetary Union each member state should only have to pay for its own debt, is now to be institutionalised. The original sin was committed, however, when the rules of the Stability Pact were allowed to be breached. Some date it even earlier: that it was wrong to establish a monetary union at all without first having a common economic and fiscal policy in place.

"Today's politicians, who stand accused when creating that shambles of not being driven by the same vision as the founding fathers of the Union, now have little time to reason things out what should have been done differently in the first place. They have enough on their plate trying to secure the system of monetary union against speculative attack. Because the failure of the single currency—and on this there is an unusually high level of consensus—would represent the worst setback in the history of European integration.

Solidarity without solidity

"They, and not the sinners, are now the ones being singled out for moral pressure. The chancellor was right to counter this by stating that solidarity could not continue to be demanded without solidity being created. Additional transfer payments (such as joint bonds) to economically weak, but high-consuming EU member states must lead in Germany to either increases in taxes, reductions in state benefits or to even more debt. All so that the party can continue elsewhere? This could only be a recipe for smashing

the {European} community.

"In the EU there is no lack of solidarity, but of discipline. The only real remedy is the creation of a common economic, fiscal and social policy. But according to whose ideas should this be created: England's, Germany's, Greece's? Compared to 100-year project sketched out by the Chancellor, the amending of the Lisbon Treaty that was agreed is a mere trifle."

Philip O'Connor

Milton Friedman

continued

capitalism used Keynesian supply-side economics to build social infrastructure, and were able to maintain expansive economies with approaching full employment. Internationally it maintained President Roosevelt's hard-won financial regulation, set in place after the prolonged series of crises which continued for many years and are collectively known as the Wall Street Crash of the 1930s.

As a result of Friedman-type economics, State capital investment has declined substantially and there has been an explosion of individual Credit Card debt, which has only limited social benefits. It appears that there has been very little regulation of this type of debt, with no effective limit on the number of Credit Cards an individual may hold. The European Union has now, belatedly, understood how potent an instrument credit creation in private hands is and has issued the *Electronic Money Institutions Directive* (no. 2009/110/EC). This means that Electronic Money Institutions must obtain authorisation from the national Central Bank "in order to issue electronic money" (advertisement Irish Times, 21.1.11). Whether this Directive is a prelude to an attempt to turn the monetarist clock back remains to be seen.

Up to the 1980s it was the State which created credit for the most part. There was some private credit creation—largely through the Banking system—but it was constrained and restrained.

Relying on Friedman economics, Prime Minister Thatcher changed all that—and America followed suit. The State cut back on building infrastructure, and even privatised some of the social stock. The market knew best and would provide for economic expansion and the health of the economy.

Private enterprise institutions were given their head. The theory was that they would do even better than the State in providing for social needs. Unfortunately, however, market enterprise can only

supply those needs which find a market expression. Not only that, capital is drawn to the ventures which offer the greatest profit. There is a disconnect between the market and social need. They exist in different realms of reality.

That is in accord with the law of maximising return on capital, which means the markets must deprive even sound economic investments in the real economy of capital. The result of the new policies of liberating finance has been to cause the wrong sort of developments to occur and to deprive society of the right kind of development. "Wrong" and "Right" is here seen in the context of what does and does not meet social need. Obviously, within the terms of market liberalism, 'Wrong' and 'Right' are what maximises profit. And this process has got more and more hectic.

Ex-Prime Minister Gordon Brown—who played the Thatcher game with gusto while in power—has belatedly understood some of this. He writes:

"A new and largely unregulated global financial system developed in the 20 years before the crisis and, in a risk-laden world in which excessive financial remuneration was at the expense of the equity capital that banks needed, we had created a wholly new economic phenomenon: capitalism without capital.

"If I had said in 1990 that global flows of money, which were then around \$0.6tn (£382bn) a day, would double as the world economy grew, people might have believed me, but if I had said these flows would rise by more than 2,000%, few would have thought it possible. In fact something much bigger happened: a 6,600% increase in global financial flows, so that by April 2010 these were flows of \$4tn a day.

"Submerged beneath the surface was an unseen, unregulated shadow banking network that grew in volume to become more than half the entire system, and operated far outside normal rules and procedures.

"Those practices then spread to the mainstream banks, and soon everybody knew the priority was, in the famous words of Citibank boss Chuck Prince, 'to keep dancing' as long as the music was playing.

"The reason governments had to step in during October 2008 was not because government action had itself caused the problem but because the music stopped. It was one of those moments when markets did not automatically come to a safe equilibrium in the manner the familiar old textbooks suggest" (*Guardian* 7.12.10).

Those who blame Fianna Fail and Irish Governments should ponder Brown's words. There was a new economic orthodoxy and most Western countries became

heavily committed to it. It takes a strong understanding and an unusual political strength of character to stand out against a trend which is promoted by the Great and the Good of all one's trading partners. Perhaps a De Valera or a Haughey might have done it. Certainly no one in the Irish political establishment was aware of the deeper reality of the new Finance whirligig.

Brown describes something of what happened, but draws no conclusions, beyond suggesting that Bank bonuses be curbed: in other words, let the merry-go-round start swinging again. He advocates ever more Free Trade and Efficiency as solutions. Thus he remains part of the problem, rather than the solution.

But the conclusion that suggests itself is that private credit creation cannot be expected to behave in a conservative manner or to meet social objectives.

A rampant market can only operate on a herd instinct, taking the path of least resistance. The gadarene swine will all feed in a frenzy and they will all jump off the cliff in the same way.

In Ireland, over the past 5-6 years, this has meant a flood of money—from home and abroad—streaming into speculative property investment. This has not been entirely wasted. There are some fine buildings and developments which will stand the test of time.

But we also have the down-side results of herd-capitalism. Worthwhile investment—such as in broadband by a privatised Eircom—has been neglected. And now the economy is taking heavy hits.

Along with Friedman monetarism came an assault on the State as an entity developing social forces. Finance capitalism demanded total freedom in which to operate. Even at the moment the financial crisis hit, regulators were being pressured to cut back even further on the controls they exerted over banks. This was not merely happening in Ireland. It was happening all around the West, with a very few exceptions.

In these circumstances, to suggest that the Irish crisis was made in Ireland, which has been the general conclusion of various reports, is to be totally unreal. The argument used to be whether Ireland was more Boston than Berlin. The truth is that, not only was Ireland switching more and more to Boston mode—Berlin has been doing so too. And, in those instances in which Berlin was too slow to swing to monetarist jazz, there was the European Court of Justice to hand down decisions to hasten the break-up of old State economic

institutions, which were impeding the financial whirligig by retaining some social objectives.

There is facile talk about Irish Governments failing to regulate the banking sector sufficiently. But this was an international, not a national problem. It was British banks who introduced madcap banking onto the Irish scene. The only way in which Ireland could have remained apart from the financial wizardry coming from London was to exclude foreign banks from operating in its markets—or at least to heavily curb their business activities. This would have been against the rules of the World Trade Organisation and of the European Union. Ireland would also have been punished by financial markets for daring to stand out against the prevailing way of doing business.

There would also have to have been a willingness in Ireland to forego the luxury life-style that came with a heated-up economy. There was no such thing at the time. And, even now, in the midst of the downturn, there is no acceptance that the answer lies in returning to traditional values—the policy is not being advocated in mainstream politics. The hope is that there can be a return to a scaled-down version of the Tigger.

It is true that a couple of Governments in the world did protect their financial system. The Canadian Government prevented banks from speculating with depositors' money. And the then President of Malaysia, Mr. Mahathir—who got nothing but a bad press in Ireland, and particularly in the *Irish Times*, for his pains—put in place an excellent raft of provisions to check the speculative incursions of foreign capital.

Gordon Brown mentions the high velocity of money—that is the speed with which it circulates in the modern era. But, even though virtual money moves faster these days, there still has to be a core of actual money which forms its base in reality. The financial wizardry cannot go on, unless there is a modicum of 'real' money in the system. And it can be argued that this 'real money' is just as much to blame for the present financial crisis as the gambling speculators. The savers may have assumed that the institutions they were depositing in were conservative, like themselves. But the institutions in question have been forced not to be. Ultimately, therefore, the holders of the 'real money' lent it to the speculators, attracted by the rates of return. In a way, it can be said that the careful holders of real money caused the crisis by not being

particular enough about what was being done with the money they were loaning out.

It is generally accepted that the savings of countries such as Germany—rather than being content with modest returns on offer within their own economies—went to fuelling the international speculative book. There were other sources of capital too. Private Pension Funds, for instance. Part of the Thatcher counter-revolution was to force savings for pensions out of the hands of the State and onto the market. While the State looked after nearly all pension provision, current surpluses could be used to build infrastructure and generate the expansion needed to fund pay-as-you-go pensions. Privatising pension provision diverted money instead to the quick-buck merchants.

If we are looking for causes of the financial crisis, we surely must not forget the creditor countries and institutions.

With European countries like Ireland now out of the frame for the speculators, roving capital is looking further afield, to countries that might not yet have learned the hard financial facts of life and the need for self-protection—countries in Asia and Africa. *City AM* (London) noted on 22nd December that 2010 saw a 16% rise of "global mergers and acquisition activity" in "developing countries". The *Lex Column* in the *Financial Times* noted in a piece called *Jeux Sans Frontières* (Game with no frontiers, a pun on the globalist aid organisation, *Medecins sans Frontières*) that the money men are eyeing countries like Bangladesh, seen as a "frontier" market! It is attractive because of "low yields and low growth in developed economies, combined with plentiful liquidity [i.e. cash surpluses]":

"Take Bangladesh, where foreign investors own just 5 per cent of the stock market, compared with about a third in South Korea or Thailand... But its vast pool of cheap, young labour means that it stands a good chance of replicating its success in clothing in other light manufacturing and service sectors. Over the past 30 years, for example, Bangladesh has built from scratch the world's biggest ship-breaking business. Unlike south-east Asia in the early 90s or India today, its transition to a middle-income country is entirely unreliant on foreign financing or portfolio flows... Bangladesh's inclusion in Goldman Sachs' next 11... seems merited. On a fundamental long-term view, frontier markets like this seem a lot like emerging markets a generation ago: under-owned, under-researched and generally under-appreciated."

Under-owned! Not sufficiently penetrated by Western capital?

Bangladesh can expect some of the 'Irish' treatment—money on the loose, coming in for a fast buck; rising property market, speculative investments, and the rest.

During the Celtic Tigger years, Ireland was looked to as a role-model by aspiring countries in Eastern Europe and elsewhere. Now that reality has struck, surely it should go back and explain where it all went wrong and warn others of the pitfalls of monetary laxity and the perils of entertaining Brits bearing gifts.

Angela Clifford

The following letter was submitted to the *Irish Examiner* on 29th January

Israel No Democracy

The Israeli Ambassador writes that "Israel is the only democracy in the Middle East"; (*Examiner*, 19 January). Is it really? How can Israel be described as a democracy when it has ruled over millions of Palestinians for over 40 years in the territories it has occupied illegally and by force since 1967, without according them any democratic rights, not least the right to vote? This alone demonstrates a unique contempt for democracy which makes a mockery of the claims of the Ambassador.

While these 5 million people live without civil rights of the most basic kind, the over half million Jews who live in the illegal settlements in the occupied West Bank can vote in elections to the Knesset (the Israeli parliament), while Palestinians living in the West Bank can't. This is a selective discriminatory regime worse than the voting system that operated in apartheid South Africa.

Isn't it time for one person, one vote to operate for elections to the Knesset for everybody who lives between the Jordan and the Sea and is governed from the Knesset? Then Israel might have a claim to be a genuine democracy, but not until then.

Philip O'Connor

Tell us about upcoming events

The Athol Books site now features a Notice Board to which readers are invited to feature forthcoming events. Go to:

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Shorts

from
the Long Fellow

THE BASE AND SUPERSTRUCTURE

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

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

THE AUTONOMY OF THE SUPERSTRUCTURE

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

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

However, there was a dramatic rupture of this line of development in 1916, which was confirmed by the 1918 Election. A new young, anti-Imperialist political class emerged which had no economic power. The Treaty split represented a setback for this new class because the pro-Treaty element became dependent on the pro-

British and Redmondite tendency in Irish society.

FIANNA FAIL AND THE SUPERSTRUCTURE

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

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

Fianna Fáil continued to dominate Irish politics, but there was a collapse in its ideological superstructure. After a long period of decline the *Irish Press* expired in 1995. But the newspaper had long ceased to be the paper of the national revolution. From 1970 onwards Fianna Fáil survived by adapting to the ideological superstructure rather than attempting to challenge it. The disconnect between the ideological superstructure and the original Fianna Fáil vision has been cumulative. It is illustrated by two of the leading contenders to succeed Brian Cowen quoting approvingly from the discredited, revisionist historian Peter Hart.

THE IDEOLOGICAL SUPERSTRUCTURE

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

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

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

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

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

AN ALTERNATIVE NARRATIVE

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

EMIGRATION

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

The Irish Times began an article (8.1.11) with the statement that emigration had "*returned with a vengeance*". There followed heart-rending descriptions of tearful departures at Dublin Airport. But a look at the figures suggests a more nuanced picture.

The 1980s are generally perceived to

be a difficult period for the Irish economy. For just over half of that period the Fine Gael/Labour coalition was in power. By 1989 the economy had entered a period of “jobless growth”. So while the economy was growing there was only a marginal increase in employment, which was not enough to absorb the increasing population. Accordingly, in 1989 emigration had peaked at 70k in the 26 counties. This compares to the 12 months to April 2010 when emigration reached 65k. But the comparison is misleading.

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

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

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

Notwithstanding the net emigration figures the population of the country continues to grow, so the emigrants form a smaller proportion of the whole society than they did in the 1980s.

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

THE ECONOMY AND EMPLOYMENT

Fianna Fáil began its current run of unbroken government in 1997. From 1997 to the present the economy has grown by about 70%. Unfortunately for Fianna Fáil, eaten bread is soon forgotten. In the last 3 years the economy has contracted by about 11%. However, the overall figure of 70% growth for the last 13 years compares very favourably with an EU average of about 20%.

From 1997 to 2010 the number of people Employed rose from 1.38 million to 1.87 million. In the same period the Unemployment rate rose from 10.3% to 13.5%. However for most of this period the Unemployment Rate was within a

range of between 4 and 4.5%: in effect full employment.

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

RECENT ECONOMIC PERFORMANCE

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

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

The current Budget Deficit was about 1.5 billion euros less than target for the 11 months to November 2010. Most of the improvement was in the latter half of the year which indicates a positive trend.

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

THE POLITICAL NARRATIVE

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

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

In fact the opposite is the case. Fianna Fáil leaders have acted in the interests of the State and completely rejected the interests of the party. They deserve credit for this. But the leadership can be criticised for not keeping its party members sufficiently aware of what was happening

at State level. The political party, in particular Fianna Fáil, is the means by which the policies of the State are mediated to the people (and by which the people exert an influence on Government). It is an essential function of a democracy. In the absence of a coherent and vibrant political party political discourse is mediated through an unaccountable media.

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

ETUC Statement:

ETUC says EU Commission must clarify ‘intervention’ in Irish labour market

Pay And Europe

The European Trade Union Confederation (ETUC) has requested an urgent meeting with EU Commissioner Olli Rehn following reports that Commission officials are ‘intervening directly’ to cut wages and change agreed systems of pay determination, in Ireland and Greece.

The call was made by the head of the ETUC, Mr. John Monks, who denounced reports of “*diktat pressures from Commission officials to cut minimum wages and pensions, to reduce wage ‘rigidities’ and to make labour markets more flexible in Greece and Ireland.*”

In a letter to Commissioner Rehn—and copied to other senior Commissioners—Mr. Monks pointed out that such policies trampled over “*pious Commission statements about the autonomy of social partners, the importance of social dialogue and the specific exclusion in the EU treaties of a European competence on pay.*”

Under EU treaties, the Commission has no capacity or competence with regard to pay and pay levels in individual member states. The Lisbon Treaty specifically rules out any such competence.

Full texts can be found on ICTU homepage (www.ictu.ie)

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Gerry and the Hunger Strikers

The *Belfast Telegraph* (Wed., 29.12.100) allowed Richard O'Rawe a right of reply to Éamonn McCann. The *BT* describes O'Rawe as "a former IRA prisoner and public relations officer of the 1981 hunger strikers". It plugged his *Afterlives: The Hunger Strike and the Secret Offer That Changed Irish History*. McCann had written that O'Rawe (like Ed Maloney, presumably in his *Secret History Of The IRA*) had over-personalised his historical account. Gerry Adams was by no means the only "factor in play". The *BT* was not, here, in the business of enlightening its readers—this was an attack on Sinn Féin. The *Tele* believes in the *führerprinzip* at least in regard to SF. It has not noticed that a number of credible leaders for SF are on the horizon, should Gerry Adams meet his maker. Whether they would lead it with the steadiness and dedication of Adams, is open to question, but Sinn Féin is not a one-man-band.

O'Rawe writes about "the suspicion" that the 1981 Hunger Strike was prolonged to "ensure" that Owen Carron would take over the parliamentary seat from Bobby Sands. "At the heart of the matter was a British Government offer to settle the hunger strike {the use of the lower case is probably a *BT* editorial decision—SMcG} made... weeks..." prior to the by-election. Surely there must be a question of the UK Government's good faith? The—ostensible—reason for the 1981 Hunger Strike was the fact that the British Government had reneged on the agreement reached to end the previous one.

Richard O'Rawe claims the Strike was prolonged because winning the election was "an important step in Sinn Féin's journey into electoral politics". He writes "the fact that the offer {from the UK government—SMcG} was spurned determined the outcome of the election". This was because "nationalist voters" turned out to vote because they were angry about the situation the Hunger Strikers found themselves in—implicitly because Thatcher, as ever, wanted to 'tough it out'.

Richard O'Rawe is from Ballymurphy, and has a reasonably strong Republican background. Gerry Adams has a very strong Republican background. His family was one of the half dozen who kept Belfast Republicanism from shrivelling up. (And Adams was always a 'Shinner'—interested in the social turn Republicanism made in the 1960s—rather than the traditional approach of die-hard Northern Republicanism.)

This argument about Adams and the 1981 Hunger Strikers has been around for a while—much of it Richard O'Rawe's doing. But only an inward-looking Belfast Republican could make Richard's argument. Frank McManus (an implicitly Republican 'Independent') took the Fermanagh and South Tyrone seat in 1971. But for most the constituency's history "a doggie with a tricolour ribbon" (as *The Man from the Daily Mail*, might have put it) would have won any election. It was so emphatically a Republican seat that the Unionists simply had to tolerate losing it on a regular basis.

(In 1958, Westminster *gave* the Mid-Ulster seat to the Unionists, despite the Republicans having won it in three consecutive elections. The notion that Westminster could not 'interfere' in Northern Ireland was dreamed up in the mid-1960s to cover its back, should the place become ungovernable. It could then off-load responsibility onto the Unionists — who loved taking the blame.)

It is surmised that Gerry Adams thought Sinn Féin would have a real fight on its hands in the constituency. But who does Richard O'Rawe think the fight would have been with? Frank McManus stood down to allow Bobby Sands a clear run. There was no other person or party that could credibly have had a chance of taking the seat. While it is true that the 'Nationalist' (as Richard O'Rawe, if he has not been too heavily edited, puts it) vote might have been split. In this article he gives no indication of where such a threat might have come from. John Hume had the common sense to tell the SDLP not to stand. (Austin Currie wanted to stand against Sinn Féin—and presumably fancied a career in Westminster. Bernadette (Devlin) McAliskey knew by instinct not to stand.)

The WPI (Worker' Party of Ireland, as it had lately become), stood but did very little damage to SF's vote. Given the Workers' Party's increasingly strident anti-Nationalism it might have made a small dent in the Unionist vote. Adams may have had a sort of 'folk memory' about the Republican (which tended to mean 'IRA') victories in west Ulster. However, the Republican Movement re-absorbed SF in 1948. (Apart from any other consideration a glance at the results of UK General Elections would tell the same tale. Republicans piled up scores of thousands of votes in places like Fermanagh and Tyrone ('Mid-Ulster' consisted of the rest of County Tyrone). In those years Sinn Féin's vote in Belfast was very small, and

got smaller over the years.

But even these relatively arcane arguments do not justify Richard O'Rawe's assertion that Adams unilaterally prolonged the Strike. Gerry Adams "and not Martin McGuinness, Danny Morrison or anyone else..." was given the job by the Army Council to "advise the prisoners on a variety of matters". It may be made more explicit in the *Afterlives* book, but this assertion of O'Rawe's is very vague. He adds that Adams "was told that the prisoners were to be the final decision makers..." in regard to offers from the UK Government. This was not particular to the 1981 Strike. Since the Fenian period, Irish Republican prisoners have been an autonomous element in the overall Movement. O'Rawe claims that Adams "ignored that edict". This has to do with the alleged 'fact' that the UK Government made a solid offer to the Hunger Strikers which they accepted. Who made this offer, and on what authority? No evidence is put forward. On the other hand, the contemptuous attitude by that Government to the previous lot of Hunger Strikers must have been to the forefront of most participants' minds. And it was they, and not Adams, who made the decisions.

And there is the question of whether or not the 'journey into electoral politics' was worthwhile. Gerry Adams has gone on to stand for Dáil Éireann, and will probably win a seat and form part of a substantial bloc of TDs. Eoghan Harris is currently having fits of the vapours at the notion that he may become a Cabinet minister. (If he does, he should demand Michael McDowell's old job as Minister of the Interior.)

Richard O'Rawe challenges Gerry Adams to prove him wrong by agreeing to "participate in a republican inquiry into the hunger strikes". This brings his article to a ringing conclusion. But Richard knows quite well that he is not going to get such an inquiry (and the *BT* would sneer at such an inquiry in the event it was set up).

Richard should have thought twice before submitting an article to the *Belfast Telegraph*, which is fundamentalist Unionist. It is not in the business of resolving the ambiguities of the 1981, or any other, Hunger Strikes (demonstrated by its refusal to spell even 'Republican' with the initial letter in the upper case). It is in the business of destroying Sinn Féin, and it has no compunction about publishing material by "a former IRA prisoner".

Richard O'Rawe's background makes his anti-Republicanism appear more credible than if someone from a Unionist (in the widest sense) or 'Sticky' background—or a British 'spook'—had produced it. Richard might object to the term 'anti-Republicanism', but there is little question that Sinn Féin is perceived as authentically Republican, by its friends—and more to the point, by its enemies.

Seán McGouran

When Hacks Catch Hindsight

Today's UK *Guardian* (12-10-10) has a headline on page 12: *RUC Beat Confessions Out Of Us, Say Hundreds Of Terror Suspects*, which is mainly about the Castlereagh Interrogation Centre in Belfast and the Strand Road Police Barracks in Derry. It seems The Criminal Cases Review Commission (CCRC) is investigating the miscarriage of justice resulting from Northern Ireland's non-jury courts, the Diplock Courts, established in 1973. But of course the abuse of prisoners had already begun well before that date. The law was cast aside whenever it was deemed to be inconvenient. Old RIC methods were carried over into the newly formed Northern Ireland RUC.

Beatings of non-political prisoners for drunkenness and minor assault was common.

In the early 1950s, a workmate of mine, a Catholic, went to his local police barracks on the Falls Road to report the theft of his bicycle. He foolishly went when it was dusk. (All Police Barracks doors closed at dusk back then.) He knocked on the door, it was opened by a policeman holding a .45 revolver. He was quickly punched in the face, then kicked as he lay on the floor, then kicked through the door and into the street. He spent a few days in hospital. That was the end of the matter. He was advised by a Catholic solicitor not to complain in case worse happened to him. This solicitor was covertly working for the RUC, and was also a friend of Harry Diamond, the corrupt West Belfast Catholic Stormont MP.

The *Guardian* treats Northern Ireland as if it has the same rights as the UK, as if it is part of the British political system. It even uses the same hypocritical even-handedness when writing of Nationalist and Loyalist prisoners being subject to this miscarriage of justice.

Everyone in Northern Ireland knows who were in the majority at these centres, though, one tragic case concerns two young Protestant teenagers accused of killing a 28-year-old Catholic accountant. At Castlereagh, after being given the full treatment, they confessed to shooting the accountant. Many years later the CCRC finds out that the accountant had been beaten for 30 minutes before being shot by a Loyalist death squad, whereas the boys had confessed to just a shooting. One of the boys' father had kept his son indoors on the day of this killing because his son had been threatened by some Protestant youths for being friendly with

Catholics. Unfortunately this lad went on to hang himself when living in England.

Spare Rib, a UK feminist magazine, made the mistake of protesting at the treatment of Republican women prisoners in Armagh Jail. They were being subjected to intimate body searches several times a day, which amounted to sexual harassment and psychological torture. *Spare Rib* soon went out of business through withheld subsidies and mischievous propaganda about it being a lesbian, man-hating journal. I don't remember any national newspapers fighting for their right to free speech.

Many of us knew during the 1970s about how Republican, Nationalist, and sometimes, just Catholic prisoners, were being treated at Castlereagh. The British Army began ill-treating civilian prisoners as early as 1968. On one occasion a sudden swoop was made on the Communist Party of Northern Ireland, but mostly on its youth wing the Socialist Youth League (formerly the Young Worker's League). Most of the members were young Protestants, and were also mainly middle-class. One of them, whom I knew well, contacted me after the event. He told how they had had their heads shaved—supposedly against lice—and had insect repellent powder forced inside their clothes. They were politically aware enough to know that this was an attempt to humiliate them. This happened at one of the army barracks. They did nothing legal about their treatment. I gather they felt they were being taken seriously and that seemed to be enough.

Anyway, they were always aware of the fearful treatment they could receive at the hands of the RUC due to the political situation there and its frightful history of torture and assassination. Most parents back then related their own experiences of the early 1920s and the killing of whole families by RUC death squads. In actual fact the Socialist Youth League felt they had got away with it lightly.

Castlereagh and Strand Road were to be expected. As young communists in the late 1940s we would sometimes be told by the more pig-like members of Special Branch what they would like to do with us, come the day. Mostly it was crawling up the road on our hands and knees like dogs, bleeding from every orifice, sans teeth. The seemingly softer side of the Branch advised us to emigrate to Australia, while discussing the latest film and handing out the cigarettes. But mostly we knew we were having it easy compared to

what was happening to the youth on the Falls Road.

The CPNI was Protestant-led, and might be said to have held almost incommunicado Sean Murray, a former IRA commandant, and formerly a member of the old—more nationalist—Communist Party of Ireland of the 1930s. He was General Secretary by name only. To ask about the history of the old party was to be snubbed and even threatened by violence by an East Belfast crime family who happened to be also Communist Party members. I still don't know why this family was allowed membership.

The Socialist Youth League did turn towards nationalism (much to Sean Murray's secret delight) while I was a member, under the influence of an interesting young Protestant who learnt Irish up the Falls Road and attended the 1916 commemorations at Milltown. He was eventually to turn Protestant-Protestant when the Provisional IRA went on the attack, writing a pamphlet protesting against the killing of Protestants—even though he must have known that they were mostly the RUC or members of the MI5-directed Protestant death squads and the Ulster Defence Regiment (post-B' Specials) or the Ulster Volunteer Force in British uniforms. Clare Short, the British MP, wrote a preface to this pamphlet.

Obviously the *Guardian* can't get into the atmosphere of a Northern Ireland in time of war, or in time of ceasefire. It does have its NI correspondent but he puts out no more than the English correspondent, nothing of any worth.

In the British armed forces, I am told, you cannot refuse an order even if that order is not to your liking. The advice is to carry-out that order and then protest later.

I cannot remember the British media being concerned about the treatment of prisoners or the miscarriage of justice during the war period. As a playwright I pushed plenty of stuff towards them in the form of plays dealing with Castlereagh and other obscenities of brutality. Theatre managements answered with words like: '*Mere speculation*'. or '*Quite good but after some reflection not for us thank you*'. At the National Theatre in London (now called the Royal National Theatre) I did manage to get something on by contacting its Artistic Director directly. It was a about a young Provo and his wedding breakfast in a derelict house while he's on the run. I wanted to show the normal, everyday life of these young men and women, and how they were just your next door neighbour. The media theatre critic used words like: '*disgusting, ill-judged*' etc., without even

mentioning the theme of the play. This was in 1978.

Later I was part of delegation from the now defunct Theatre Writer's Union bent on getting a fair payment for our work. We visited various theatres in London. One in particular had the late Stuart Burges as Artistic Director of the Royal Court Theatre. He was very sarcastic in his negotiations and began using the word 'provisional' a lot while looking at me. *'Is this a provisional fee we are looking at? Is this a provisional request?'* And so on.

A few years later he died and, on reading his obituary, I learnt he had been in British Army Intelligence, and probably still had some connection with the security services. I began to feel I was in a curtain-twitching little country.

Theatres in Ireland were no better, though the Abbey did put on something of mine during the Dublin Theatre Festival of 1973—about sectarianism, and eventually a pogrom, in a Belfast factory. Irish media theatre critics were no kinder than their counterparts in London. Later, theatre there also refused to put anything on about Castlereagh or Strand Road. One theatre Artistic Director even wrote to say: *"For fuck sake I know all about it! How about a comedy."* This was when the media was telling us the Provos were criminals, while he knew differently.

I know of a few others who also wrote stuff on Castlereagh at the time but never had it produced in mainstream theatre, nor anything on any other subject because they had been labelled as *comforting the enemy*.

Fringe theatre is no better. Also, fringe theatre leads you off the beaten track and very little ever transfers to mainstream theatre. Mainstream theatre is very important, as you get national exposure that is picked up in the rest of Europe, the US and Australia.

Writing serious stuff for television is no easier. You write something and they slip in behind your back on a Sunday morning and erase what they don't like. BBC Television Centre in London has a permanent MI5 office looking at stuff and people. In TV interviews they have from six to eight seconds to erase things you say before going out live. You could even be completely eradicated and be replaced by someone sitting near the cameras. In that six to eight seconds you are a mere recording.

In Belfast during 1974 I had a script that was to be filmed on the streets of the city. The Director and I were summoned

to a hotel in order to meet a Home Office official who turned out to be a Major in Army Intelligence. He had to have a copy of the script. If he approved of it, the BBC could have army protection for the filming. The Director and I didn't want any of this. Some scenes were in Catholic areas. We decided to approach those who controlled the areas for permission to film there. We met the UDA and the Provos.

They welcomed us. Both said the mixed cast of Catholics and Protestants would be safe in their areas. They controlled these areas and were flattered that we recognised that fact. But the British Army and the RUC said no, they controlled these areas. BBC Belfast backed down after the Director had shots fired over his head from what he thought was an armoured jeep. I was visited by two Army-types in civilian clothes, where I was staying and warned, in a mock friendly fashion, not to go out after dark. The damned script was nothing revolutionary, merely a study of a Protestant teenage girl, bunking off school, and wandering the city, bumping into a Catholic of her own age and being terrified when the girl suddenly crosses herself after a bomb goes off in the distance. A story kept simple in order to show the sometimes immense differences between Protestant and Catholic though both are Irish. (I know some Protestants think of themselves as just British without the Irish handle, unlike the Scots who are both Scottish and British (though lesser so now), or similarly the Welsh. The term 'British' is just an umbrella title, though it is mostly used by the English meaning English. But how in Northern Ireland can you hold an umbrella and be nothing underneath?)

The script was eventually filmed at BBC studios in London, most of it indoors, part of it with Shepherd's Bush acting as a five-second glimpse of Belfast. One critic wondered why it hadn't been filmed on the

streets of Belfast. It would have taken a long time for me to explain that to him.

I had often been told by my agent and others not to keep writing about that terrible place for nobody here cared. But I did notice they cared when something anti-Irish appeared as a script, something that showed the Provos as psychopaths. Right now there is a play doing the rounds in the UK about Irish *terrorists*, from what they call the *Troubles*. Quite a number of these plays have been produced over the last twenty years. It is hard to know what is worse—these psychopath plays or plays from Irish dramatists who stay clear of the political turmoil and even apologise for the odd one they did years ago about something real, which they didn't really mean..

I am writing here about dramatising things when they were happening, not thirty or forty years later, when hindsight and its short memory arrives out of breath. One or two films about the Hunger Strikers may be fine, but what about 1981 when it was happening?

Thus the *Guardian* gets hindsight—what the British Army, the RUC, M15/6 and their surrogates, the Loyalist death squads, did back then. Rake amongst the ashes, it's over, until the next time. And what then? Knowing the grotesque Brit-made situation in Northern Ireland, it will happen again. Those who want to speak out won't be heard. The media of both countries will condemn those who fight for the survival of their people by running a yellow press campaign against them. In thirty or forty years they will be on the side of justice again, which mostly amounts to a few quid being handed out here and there plus some empty words of apology..

Do your duty first and complain later, much later.

Wilson John Haire

TRINITY, ITS WORKS AND POMPS –

THE TRINITY ESTATES

A talk by Jack Lane

Sponsored by

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The Missing Middle in Ireland

It upsets Roy Foster when the existence of an Irish middle class is queried. In a book review in the *Irish Times* he vented his feelings:

"The old canard that the Irish 'don't have a class system', and indeed have even been spared the indignity of possessing a middle class at all, has been trotted out by all sorts of authorities over the past century or so, often in the most self-congratulatory way. Tony Farmar, rightly, will have none of it. His entertaining book continually sets up such allegations (the most recent from Ulick O'Connor) and then delightfully knocks them down. Along the way he produces a wide range of anecdotal and statistical indications of the existence, economics and self-image of Ireland's middle class. It is just a pity that he never quite defines it". (*Mixed up about the class divide?* Irish Times, January 8, 2011)*

It is odd that the author fails to define the subject, the core issue, of his book which is so obvious to him—the existence of an Irish middle class. However, Foster does not define it either. And it seems very odd indeed to claim that something exists without being able to define it.

A middle class worthy of the name must have certain very definite characteristics. The English middle class has them and the European bourgeoisie has them. These consist of a class that has a natural 'middle' role in the life and history of their societies, between ascendancy and 'lower' classes and it is usually urban. It must be able to show itself as the historical agent and inheritor of the great issues and achievements of its society. It must be feared by those above it and be a model for those below it. It must not be limited to those who happen to be rich but consist of those who are superior in a moral sense.

A capitalist class can be simply rich, whilst also being socially challenged and transient. A self-conscious, confident middle class will be above all that. Russia currently has a very rich group of people acting out a middle-class lifestyle, but the most powerful of them have ended up in jail or in exile. There is no Russian middle class, only a tiny make-believe, imitative one.

Where does an Irish middle class come into all this? The great issues of Irish society were the land struggle and the achievement of political independence. The Land War was won by the tenant farmers and cottiers of the countryside. They were not middle class—nor were they peasants. Then there was indeed what might be called a middle class, known quite literally as *middlemen*—who operated between the Ascendancy and the

tenants. It seemed that all socio-economic life centred on them for centuries. But they were despised by those above them, and by those below them as well, and they ended up despising themselves—and being squeezed out of existence between the tenants and the Ascendancy: they went into the 'dustbin of history' with the Ascendancy, never to be heard of again.

It is rarely noted that the urban tenants of Ireland, involving about a third of the population, did not get their ownership rights established until after those in the countryside had been won after a long and bitter struggle, and they got their rights ensured by the leadership who had won the Land War and on the back of the tenant farmers' success. Therefore an inspiring middle class was unlikely to have emerged from urban Ireland.

The Ascendancy left remnants, but not a class in any meaningful sense. The Home Rulers began to shape up as a new middle class but their reign was very brief and before they even got their Home Rule they were destroyed by their misjudgement of the political realities of Westminster. They were quickly replaced by the Republican upheaval of 1916-21. The War of Independence was not fought by a middle class. It was a people's war initiated and led militarily in 1916 by a Marxist socialist, assisted by what any middle class person would consider social outcasts and misfits—at best.

Our commentators moan about our party system and complain that it is not left-right and class-based and bemoan that it is a vestige of the war over the Treaty. But our political system being a result of a successful people's war, our political divisions are people-based rather than class based.

Not having read Mr. Farmar's book, I have to rely Foster's review to get an idea of the content and what Farmar relies on when assessing the Irish middle class. For example, Foster tells us that:

"More reliable are Farmar's useful tables of earnings, housekeeping accounts and records of dietary change; he also has a sharp eye for sartorial fashion. But the idiosyncratic structure of the book makes it difficult to discern actual patterns of change or evolution in the practice of everyday life."

It becomes clear that Foster is very dissatisfied with the book and does not believe that Farmar has proved anything in particular about the Irish middle class. Foster continues:

"but what any of this means for the 'middle class' goes by the board. By the last, rather perfunctory section we are

served up an anecdotal social history of moments of Irish experience, which is not the same thing. This smorgasbord is accompanied by many tasty and perceptive asides from some suggestive sources"

And he concludes:

"But the reader who wants either clarification of the minutiae of class differentiation or the larger picture of how an Irish middle class perceives itself and enforces its codes, values and privileges will have to look elsewhere.

"And the cut-off date of 1989 avoids discussing whether the subsequent destruction of the country's economic reputation by bankers, a supine 'regulator' and deluded developers may be laid at the door of a privileged 'middle class' protected by a no-blame culture of mutual support. But the answers to that question lie all too obviously elsewhere."

Evidently, Mr Farmar's book does not do what it says on the tin for Foster. He does not make the Irish middle class credible as a class and, as Foster is insistent there is such a thing, he is naturally somewhat frustrated by the book. That is understandable, but it is not the author's fault. He could never really provide a realistic picture of a chimera.

As for Foster's comment about the current economic situation, "*that answers to that question lie all too obviously elsewhere*", this is intriguing. Will Foster be providing the 'obvious' answers? Remember he provided the answers of why we had the Celtic Tiger era. It was good luck! This was the basis of his book *Luck And The Irish* (1907). May I offer him a suggestion for the title of his new book: he could retain the same title except change the theme from 'good' to 'bad' luck. Obvious, isn't? Just like the Irish middle class.

Jack Lane

**Privileged Lives: A Social History of Middle-class Ireland 1882-1989* by Tony Farmar, A&A Farmar, 368pp. £19.95.

PSYWARS

'If you believe all you hear you will eat all you see'—as the Irish saying goes. The US eats imaginary foes, whose hand now manipulates WikiLeaks to spread the evil poison of Washington. Could the pen be mightier than the sword if its point is used to have a nation gored and, when writing, to think us simpletons. The pen as a drone flies to its target. The rat-droppings of the informant leads to destroyed villages. *Tempus fugit* on the joystick, while great distance impedes guilt, as a dying family forfeits. But droned from cyberspace a nation bleeds.

Wilson John Haire
6th December, 2010

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CULTURE IRELAND AND FINTAN O'TOOLE

During the Celtic Tiger era, much was made of Irish 'culture' and there was an attempt to commodify it but the main thing is that an elite core of Dublin's self-styled intelligentsia made a packet of money on it. Indeed some of the now-media-scorned-bankers/developers hung their corporate walls with Irish paintings and bought first edition rare Irish books on the advice of the now-disgusted-elite. The only writer who openly supported Sean Fitzpatrick—at first—he has now gone silent, as well he might do so when he realised the financial implications of his confession, was Colm Tobin. He wrote that he got a full mortgage when he had no money or collateral when he came back to Dublin from teaching English in Barcelona—he was practically destitute. *Culture Ireland* is a quango run by Eugene Downes in the Department of Tourism, Culture and Sport, where the Minister is Mary Hanafin, TD who is now canvassing for the leadership of Fianna Fail. But, unlike other Departments which have had swinging cuts, the budget for *Culture Ireland* has been boosted "courtesy of the 'Imagine Ireland' wheeze, which is the title given to a €3 million backed hotchpotch of cultural events in the United States over the next year". As the *Phoenix*, 14th January 2011 revealed, Hanafin herself has just been over to New York "to launch the programme of events although there was no mention of 'Clowns Without Borders'". The latter have been grant-aided to attend South Africa, and in 2009 were in Palestine. Their aim is "to bring laughter to as many children in the world as possible regardless of their race, religion or culture". According to their literature, *Clowns Without Borders* involves "circus performers, clowns, theatre and street performers, actors and musicians who offer their skills, humour and time on a voluntary basis to perform shows, teach skills and bring laughter to communities in crisis around the world". So this is our 'culture', and one can just imagine its effect. But the money is serious as in 2010 alone €1.3 million was disbursed "in grants to artistic bodies, individual artists and assorted pundits—with the most disdainful of them all to all things Fianna Fail—The Irish Times' journalist Fintan O'Toole receiving €2,000 to travel to Buenos Aires to 'talk about Irishness'..."

It Is Time

Indeed on the advice of his people, the Taoiseach, Brian Cowen gave President Obama a copy of a signed limited edition of *Beowulf*, translated by Seamus Heaney much to the furore of the British literary establishment who howled that Heaney was trespassing on their 'old English' literary heritage.

THE ENGLISH HISTORIAN, THE ARISTOCRAT, & A FORMER LABOUR LEADER

Andrew Roberts writes popular best-selling histories of the British Imperial past—he has no time for the kind of historian who professionally researches the archives to illustrate the actual horrors that Empire always inflicted on native people. Historians like Nicholas B. Dirks, whose mammoth account of India under British rule was called *Castes Of Mind* (published by Princeton University Press in 2001), or David Anderson, whose *Histories Of The Hanged: Britain's Dirty War In Kenya And The End Of Empire* (published by Weidenfeld and Nicolson in 2005), get nothing but contempt from Roberts and his fellow Empire-lovers in the academies and of course in the Establishment. Robert's latest book—a stomping success and a *Sunday Times* best-seller is called *The Storm Of War* and even garnered from Sir Ian Kershaw in *The Guardian Books of the Year*, a blurb quote praising it as "a marvel of concision in producing a splendidly written, comprehensive new history of the greatest conflict in history", i.e. WW2.

Roberts doesn't do irony and in his *Tatler* column—February, Vol.306, No.2, he writes about interviewing the former US President George Bush in Dallas about his "superb memoirs", entitled *Decision Points*. He also tells George that "he's a genuine American aristocrat, descending from a long line of New England grandees". Roberts said that Bush came "over all modest" when he mentioned this saying, "Well, I wouldn't go that far". In a recent review of Bush's so-called memoirs, in the *London Review of Books*, 6th January 2011, Eliot Weinberger does such a fine piece of work that *Decision Points* is simply left dead in the water. He names those involved in the writing of the 'memoir' collaboratively as *Team DP*: Chris Michel was the young speechwriter and devoted acolyte who went to Yale with Bush's daughter Barbara; Sean Desmond, a free lance-editor and the staff at Crown Publishing (who reportedly paid \$7 million for the book); a team of a dozen researchers; and scores of "trusted friends".

But Roberts smoozefests the powerful and after Dallas, he was off to New York where the Dowager Duchess of Devonshire was being given an exclusive "small

dinner party" while in town promoting her own—very good memoirs—I must confess—called *Deborah Devonshire: Memoirs of the Youngest Mitford Sister—'Wait for Me!'* (published by John Murray, London, 2010). The dinner guests included Roberts and his wife Susan, Debo Devonshire, Daphne Guinness, the dress designer Oscar de la Renta with his wife Annette, and the powerful *Vogue* Editor Anna Wintour. The lady-guests all wore beautifully long evening gowns and looked glowingly wonderful according to our man reporting there. Then he tells his *Tatler* readers that his book *The Storm Of War* won the British Army Military Book of the Year for 2010 and that another book of his featured on the A-level history question, that he was also a question on *University Challenge*, which sadly the contestant got wrong by naming Winston Churchill as the writer of *A History of the English-Speaking Peoples Since 1900*, when in fact it was himself though he thought it a "trick question".

For Roberts, the final part of his article ended with the acknowledgment that Margaret Thatcher is very ill which has brought to the fore an issue among her friends—

"will she be given a State funeral like Nelson and Wellington, Churchill and Gladstone or will the Coalition Government use these present straitened circumstances to deny her that most magnificent of national send-offs, especially considering the number of Lib-Dem ministers who would have a say in the final decision? Some of Lady Thatcher's closest friends feel that if the Government does indeed refuse to pay for a State funeral for the prime minister who, after all, served longer consecutively in that office than anyone since 1827, the whole event should simply be privatised. If anyone would appreciate that outcome, she would."

But talking about the Dowager Duchess of Devonshire brings to mind her superb memoirs completed at the grand old age of ninety. She is in that tradition of never complaining and her frank account of her life and times leave the reader with a respect for someone who for all the grand titles, and castles had a hard life especially with her husband—Andrew Cavendish—though she doesn't grumble and only obliquely refers to these sensitive matters. She had a very happy childhood and that seems to have sustained her all through her life. She—like the trooper she is—doesn't do misery memoir or as the publishing trade calls them mis/mems for which the Irish truly cornered the market during the halcyon days of the Celtic Tiger era.

There are two very important appendices at the end of the book. Appendix 1 is called *President Kennedy's Inauguration, 1961*. But it is Appendix 11, *President Kennedy's Funeral, 1963* that is compelling. The Duchess describes leaving

Chatsworth with Andrew and boarding a Boeing 707 for Washington. Those on board included Prince Philip, Harold Wilson and the Douglas-Homes. The Prince "*kindly invited all of them up to his seats in the front and invited Prime Minister Wilson to join him for dinner*".

"I sat next to Wilson with the Prince opposite, and Andrew sat with the Douglas-Homes on the other side of the aisle.

"My lot started talking about aeroplanes (a safe subject, I suppose) in such an incredible, almost technical, way that it was quite impossible to listen to them and I found my mind wandering. Wilson has such dirty fingernails it put me off dinner. I wished I was with Andrew and the Homes but kept thinking how extremely odd the company and that I ought to be interested, but it was impossible to be so. Wilson has a level, grating voice and podgy face with a too small nose. After dinner tried to sleep a bit..... Landing we were met by a 'mobile lounge', a vast bus-like thing with room for many more people than we were. Our Ambassador, David Ormsby Gore and his wife Susan, looked red-eyed and worn out, the Secretary of State, Dean Rusk, whose face was puffed up, and some others welcomed us on the tarmac and joined us on the bus....."

What is interesting is that the Devonshires had a close relationship with the Kennedys, who visited them in Chatsworth and also Lismore Castle near Cappoquin, Co. Waterford. But regarding Prime Minister Wilson's "*dirty fingernails*", it wasn't dirt but rather tobacco flake as he was a constant pipe-smoker—but one can get the rather disdainful whiff of the upper-class which Deborah's sister Nancy Mitford so cruelly exposed in her famous 1956 book *Noblesse Oblige*.

ANOTHER LABOUR LEADER, JAMES CALLAGHAN

As the British mourn the decimation of their war-fleet with the decommissioning of the HMS Ark Royal carrier ship and all her 40 UK Harrier jets, there is much displeasure and unquiet in the Royal Navy itself. It is estimated that all of those who served on her and flew her jet fighters will face redundancies despite some weak assurances emanating from Prime Minister David Cameron. And the final insult—it is the French navy—now "*Europe's leading maritime air power*", which will provide cover to the UK when and if the need arises.

Warship's International Fleet Review, January 2011 pitches its leading article *Farewell to The ARK* with a stirring account of its final voyage with stunning photography of trailing jet vapours and the powering of a giant carrier. And not only does it bid a fond farewell to the Ark but it begs its readers to "*save a historic submarine*" already mothballed "*from rust and invading pigeons*". Whatever Andrew

Roberts says, the end of Empire finds the rusting relics of past glories and sad illegal army deployments of today *the reality* rather than *the propaganda*. And, as *Private Eye*, No. 1279, 7th-20th January 2011, does its number crunching, the £39.7 million paid to civilian MoD staff makes a mockery of what the poor soldiers are actually paid.

But back to James Callaghan and what *Warship's* International Fleet Review, March 2009 reported about him. Because of "*a release of 30 year old, previously Top Secret Documents by Britain's National Archives*", we find that there is an uncanny likeness to the "*precursor of the crisis within the UK armed forces of today*". Back in the late 1970s "*a former naval officer Prime Minister despaired at the neglect of his nation's defences, but made it clear no more money would be forthcoming to repair the damage*". Mike Barlow reports "*on the revelations and considers the parallels between today and the crisis of 1977 when at least the UK Defence Budget was twice what it is in 2009*". The memo, marked "*UK/US Eyes Only*" and highly restricted, was signed off by Prime Minister Callaghan with a note "*asking with deep sarcasm, no doubt laced with the traditional black humour of his beloved Royal Navy: 'I take it someone has worked out whether we can defend ourselves'...*" Mike Barlow as a journalist stated that:

"Three decades ago, the Soviet Union's superiority in tank and troop numbers in Europe posed a constant threat to NATO. The 1977 JIC {Joint Intelligence Committee} report acknowledged that the Russians' ability to mount a lethal non-nuclear strike was better than previously thought, and such an attack would knock Britain out of a subsequent wider war against NATO. Callaghan learned that in the event of a conventional war, there would be only enough Surface-to-Air Missiles (SAM) for one reload and that the army would be overwhelmed."

In a boxed enclosure there is on this page of the magazine a heading: "*From Sailor to Lord*". It traces James Callaghan's career in the Royal Navy starting with his father as a Chief Petty Officer. Callaghan jnr in 1944 was

"assigned to the Japanese section of the Admiralty in Whitehall, where he wrote a service manual for the Royal Navy entitled 'The Enemy Japan'. Entering politics in 1945, selected as the Labour candidate for Cardiff South during a leave period—Lt Callaghan was sent to the Far East where he served in the battleship HMS Queen Elizabeth. He returned home and was elected MP in the General Election that saw Winston Churchill replaced by Labour leader Clement Attlee, the young officer soon rose through the ranks serving as Parliamentary and Financial Secretary to the Admiralty in the early 1950's. He was regarded as a

right winger and was a vociferous supporter of nuclear weapons. He was great friends with fellow naval officer President Gerald Ford. He was succeeded by Tory leader Margaret Thatcher as Prime Minister in 1979 and became Lord Callaghan dying on 26th March, 2005 on the eve of his 93rd birthday."

During the troubles in Northern Ireland, James Callaghan owned a big compound in Glandore where he holidayed with the Jays and others. Beside the former Prime Ministerial holiday abode was Sir Tony O'Reilly's own holiday compound in Glandore—well at least he owned it before the crash—whether he still owns it or not is open to some speculation.

MARIO VARGAS LLOSA

Mario Vargas Llosa won the Nobel Prize for literature in 2010. He was the first Latin American winner since Octavio Paz in 1990, thus ending quite an extraordinary run of European authors. The faceless worthies of the Swedish academy must have come to realise, according to *Private Eye*, No.1273, 15th October-29th October 2010, that there was an obvious bias towards the European region. "*Fifteen of the previous 25 winners were from the Swedes' home continent—compared to 4 from Africa, two each from North America, Asia and Latin America/Caribbean.*" So why Vargas Llosa? Well being a novelist is helpful—from 2001 every winner bar Harold Pinter has been one but being a big name and widely translated less so (le Clezio and Herta Muller were neither before getting the nod). But it is handy that Vargas Llosa is over 70 and produced his best work ages ago as the academy seems inclined to validate the *dictum* that winning terminates careers by picking pooped authors whose creative decline makes it highly unlikely they'll surprise it with a post-Nobel masterpiece—this, among other factors may explain the shunning of Philip Roth and John Updike. But Vargas Llosa has also sensibly followed the pattern of earlier laureates from outside Western Europe and Eastern USA (e.g. Wole Soyinka, Derek Walcott, Gao Xingjian, V.S. Naipaul, Imre Kertesz, J.M. Coetzee, and Orhan Pamuk), who have all relocated and/or taken campus jobs in the US—he has a home in Knightsbridge and currently lectures in Princeton.

The Academy is also keen on political engagement; either via written work or personal involvement (typically as victimised, exiled or censored by a repressive regime) and Vargas Llosa's unsuccessful campaign against the corrupt Alberto Fujimora for the Peruvian Presidency might seem to tick that box too. The wording of the obligatory bizarre citation, praising his "*cartography of the structures of power and his images of the individual's resistance, revolt and defeat*", implies as much. But there is a puzzle here as the *Eye*

keenly informs us. The Swedes favour figures ranging from the moderate to the far left, with Naipaul the only manifest reactionary picked since the 1980s; and "Vargas Llosa is a right-winger who identified himself with Reagan and Thatcher when running for Presidential office of Peru". This, one hardly needs to remind any readers of the *Irish Political Review* was when Reagan ran death-squads throughout "his backyard", as he termed the countries of Latin America and where he and the likes of Ollie North ruthlessly repressed any signs of democracy. So as the *Eye* queries—

"how did Vargas Llosa slip through? What may be significant is that he publicly criticised Israel's invasion of Gaza in early 2009, thereby aligning himself with the liberal consensus rather than the neo-cons. Can it be coincidence that less than two years later the academy chose him, having previously let almost three decades pass since his last acknowledged major novel?"

Or is there another explanation altogether which *Private Eye* wouldn't be too bothered about? As the *TLS* [*Times Literary Supplement*] 17th December 2010 revealed under the block headline: **Casement in Pentonville,**

"Mario Vargas Llosa's Nobel Prize came at a good moment. He had been working for *some three years* on a major novel which was just ready to be published. The new novel, 'El sueño del celta' (The Dream of the Celt) based on an epic poem of that title written by Casement himself in 1898."

And, because Vargas Llosa debased wholly the image of this Irish patriot, the very Establishment that hung him, in my own opinion (JH) made sure that the Nobel went to the very writer who "holds—it is, he believes, his 'right as a novelist' that the black diaries were written by Casement", according to David Gallagher who wrote the review for the *TLS*. So we know that in the exclusive home of Vargas Llosa in London's Knightsbridge there lives a writer who has well earned his Nobel laureate.

Julianne Herlihy. ©

Reader's Letter

Casement: *Forgery Or Fact?*

Tim O'Sullivan in his *Irish Political Review* article in December 2010 asks me a series of questions about Roger Casement and the evidence that he was gay. He also complains that I attempt to explain away the Government's inaction on pursuing him on a sodomy charge "in terms of *British gentlemanliness and a certain incompetence*".

One question he asked was whether Sidney Parry's discussion in 1915 with the

pioneer gay activist and writer, Edward Carpenter, as to the possibility of Casement being "homogenic" (Carpenter's word), may have "been prompted by rumours set in circulation by Admiral 'Blinker' Hall's surreptitious activities?"

Messages to the Foreign Office from the British Minister in Christiania (Findlay) which mentioned Casement's "improper and unnatural" relations with his Norwegian companion Adler Christensen were the first record of the Government being aware of this. They began on 29th October 1914 the day Christensen went to the British Legation in Norway's capital Christiania to sell his secrets.

Blinker Hall (Head of Naval Intelligence) presumably was advised of this as details of Adler's description sent through the Legation had by early 1915 come to his attention (p.132 *'Blinker' Hall: Spymaster* by David Ramsay). However it was not until definitive proof came his way, not just of Casement's sexual orientation, but of his activities with boys and men that he acted.

This was after the diaries were handed in on 25th April 1916 by a Mr. W.P. Germain of Ebury Street where Casement had lodged before the war. That was after his capture in Kerry.

That the authorities, until Casement's arrest, were not searching for, and through, his belongings in London or Belfast emphasises a certain (non-Soviet) complacency in officialdom, and, I would suggest, an indication that London was not intent on using his homosexuality against him.

That is until Blinker Hall in league with Basil Thomson, Head of Scotland Yard, got into full swing, circulating the diaries or, more accurately, copies of pages from them. These two were essentially spin doctors who did what the Cabinet could not bring themselves to do.

Hall had earlier indulged in a daft and fruitless scheme involving the chartering of a yacht, the *Sayonara* (p. 130 Ramsay), and manning it with false American seamen. It sailed around Ireland seeking out Sinn Feiners, although creating more suspicion than Intelligence leads.

The voyage was partly prompted by misinformation passed to Findlay by Casement through Adler, who was by then a triple agent. Such a silly enterprise, compounded by Blinker's later mishandling of decrypted intercepts regarding the Easter Rising, not to mention the Battle of Jutland, suggests he was not all he was cracked up to be.

The fact that Sidney Parry stayed overnight with Edward Carpenter, an early, indeed the first, English homosexual activist, suggests Parry was gay too, despite his later (chaste) marriage to Casement's cousin Gertrude.

Sidney Parry presumably had some understanding or notion of Casement's nature from their acquaintanceship which led to the 'homogenic' discussion. I doubt Blinker was on their radar in 1915. Edward

Carpenter's diary entry simply adds to the circumstantial evidence of Casement's homosexuality which oddly remains at issue.

The gay venue I started in Belfast in the 1980s was named The Carpenter Club although it could now be called the Casement Society (or Club), as Brendan Clifford writes he once recommended, without offending many Republican or Unionist sensitivities. Except that Casement, unlike Carpenter, was no gay icon.

Another Tim O'Sullivan question was whether details of the registration of a motor bike purchased by Casement for Millar Gordon and so recorded in the diaries were forged to link the two as lovers.

This is fanciful.

The diaries tell of Casement grooming Millar from an early age. Whatever else, by the time of the execution in August 1916, Millar and his mother not only knew they had befriended a traitor but that he was a homosexual. On both counts they had cause to worry, especially as MI5 was closing in.

Tim's speculation suggests far too complicated a scenario of MI5 deception when he states, "if a forgery is built around pre-existing circumstances and facts, then these can be used as false corroborative data".

However Millar's full name and address were only provided to London three days before the execution, and no mention was made of the young man's sexuality.

This makes such speculation unsupported.

The authorities' slight knowledge of Millar is confirmed by a letter sent to the Home Office which read:

"re Casement's diary: I have ascertained that the individual referred to as 'dear Millar' in the entries under date May 28th/29th 1910, May 13th/14th & June 3rd 1911 is a young man named Joseph Millar Gordon aged 26, a clerk in the Donegall Sq. Branch of the Belfast Bank who resides with his mother at Carnstroan — Myrtlefield Park Belfast. We traced him through the Motor Cycle which Casement gave him. (One Cyril Corbally registered a Triumph Motor Cycle F3044 in 1910 and in 1911 the number was transferred to J.M. Gordon.) Gordon has not been interviewed but if it was considered advisable to approach him on the subject we could easily arrange to have it done discreetly."

Such a "contrived narrative" based on the motor bike would only work if Millar had been known to be gay, even if Casement never laid a finger on him.

As I wrote,

"If the diaries were forged, military intelligence was now on a wild goose chase which could collide with the truth. For if Millar was interrogated and convincingly denied any sexual aspect to his relationship with Casement then the whole conspiracy could come to grief."

The official paper trail in 1916 then

dies out, leading to a reasonable supposition that, again, the authorities chose not to be vindictive or ruthless and left Millar Gordon alone.

Margaret O'Callaghan reviewing my book in *History Ireland* in 2003 wrote,

"Jeff Dudgeon claims to have discovered the identity of Casement's Belfast boyfriend. In this he merely reproduces the fairly dubious findings that I have seen on Kv intelligence files [at Kew], parts of the case for Casement's homosexuality being cobbled together by Hall and others in the six weeks before Casement's death...The tracing of a bike to Millar Gordon was sufficient in 1916 to indicate that he was in fact Casement's lover, and Dudgeon proceeds on the assumption that this is the case. His corroboration lies in the Black Diaries."

This is largely stating the obvious, as we know evidence of Casement's homosexuality, otherwise, comes from Adler Christensen's statements, and a number of inferences and reasonable deductions.

That the Black Diaries are the core proof of Casement's sexual orientation is the case, but it should not be a problem for historians as the evidence therein is enormous and the surrounding details well corroborated.

That the Bible carries almost all the evidence for Jesus has not made it difficult for historians to accept his existence, or for Christians to believe in him for two millennia.

The question is repeated by Tim as to why London did not charge Casement with sodomy (something which was bruited about at the time), to destroy his reputation, not to mention to taint his cause of Irish freedom.

This was a proposition favoured by Hall and Thomson. However on grounds of taste and fairness, the establishment was not taken with it. There was also a paucity of evidence, the diaries and Adler Christensen aside. Getting a treason conviction seemed difficult enough in legal terms.

Although no Old Bailey jury would have acquitted Casement of treason, the form had still to be gone through.

One Norwegian who claimed to have witnessed sexual activity in a Christiania hotel was brought to London but he was not to be used. Adler did unexpectedly reappear, this time at the British consulate in Philadelphia, offering to give witness against Casement but before his proposal was considered he bolted.

Despite the temptation, London largely restricted its use of the diaries to ensuring America did not insist on a reprieve. Casement's revealed instruction to Berlin to encourage German-inspired sabotage there, if not Mexican revanchism, had also rather cooked his goose in the US.

Another example of relative non-vindictiveness by London was the dropping of the treason charge against Casement's co-

accused, Daniel Julian Bailey (Beverly), a sergeant in the Irish Brigade, who also came off the submarine in Kerry. This British soldier was simply returned to the ranks and sent abroad despite his weaselly responses as to what he had not heard on the submarine.

After the deed was essentially done, Sir Edward Grey, the Foreign Secretary, insisted that the diaries were to circulate no further, particularly in America. But did the existing circulation ensure Casement's non-reprieve and are the British to be blamed for so using them?

As Brendan Clifford reminds us, using the Masaryk example, whether Casement was a traitor depends entirely on whose side you were on. But to regard it as inappropriate for the diaries to be used against Casement is to think like much of the Liberal establishment in London.

In almost any other country it would have been unthinkable NOT to have used them. Homosexuality (buggery) was a crime punishable by life imprisonment, even if many Advanced Liberals of the time were acquainted with practitioners of that criminal vice.

Clifford in November's *Irish Political Review* makes play of one fact only, that the American journalist, Ben Allen, who had been shown some Casement diary documentation in 1916 said, after seeing the diaries themselves in Kew in 1959, that they bore no resemblance to the earlier papers he saw.

The items shown around in 1916, particularly in America, seem to have been photographs of diary pages although at least three of the four diaries or journals were later typed up by the Home Office. Those typescripts ultimately formed the basis of Peter Singleton-Gates's 1959 book *The Black Diaries*. He obtained them from Sir Basil Thomson who was ironically to fall victim, in Hyde Park, to a public sex charge relating to one Thelma de Lava.

A part of the early 1903 diary was torn out, perhaps to show around, but it does not sound like what the radical journalist saw. That he saw something dissimilar to the known diary versions may have been an important part of the (weak) case against authenticity but it amounts to little if you get to see the diaries themselves. Their texture and sensation is tellingly authentic.

John Quinn, the Irish-American oil company lawyer, art collector and friend of Joseph Conrad and Casement, wrote, unhappily, after viewing diary copies (photographed pages), "*there was a great resemblance and that if I had there and then to give testimony on the subject I should be compelled to admit the genuineness of the handwriting.*"

Brendan Clifford wrote in November, "*The 1916 affair is about the British state*" and he is correct, but the great failing of Irish Republicanism is separation from the truth, a failing well-attested to in the last forty years.

Exaggeration, and denial of the obvious, ill becomes a cause of substance, rendering

it ultimately ineffectual, where it matters most, in Ireland.

Jeffrey Dudgeon

What is the Cost of Academic Freedom in Ireland?

From time to time the *Irish Times* publishes letters from groups promoting causes of one sort or another and there is a ruling that such letters contain a sample 6 signatures. It ignored its own rule when publishing a letter on 20th January 2010 with signatures from over 150 academics. They were complaining about the dangers to academic freedom from the implementation of the Croke Park Agreement which will consider numbers, efficiencies and work conditions of public servants as part of a package to maintain wage levels at a time of retrenchment. Apparently the freedom of our academics depends on them allocating what pay, security of employment and retirement benefits they decide to give themselves. Everyone knows their current freedom makes them the best paid in Europe but there is no evidence whatever that they produce anymore and anything better than their EU colleagues. There is certainly no comparison with the quality and quantity of what American Universities produce with very little of the benefits enjoyed by our lot.

We take an interest in the productions of our academic History Departments (and the leader of the signatories is Tom Garvin). It is our considered opinion that the study of Irish history would be decidedly improved if all our History Departments were closed down tomorrow.

The signatories did not quantify exactly how much their academic freedom is costing the taxpayer at present and whether the existing amount was enough to ensure that freedom. That would be a useful figure to have.

The Higher Education Authority is having a problem with one University, UCD, at the moment:

"UCD made unauthorised payments of approximately €6 million to staff that will have to be refunded to the exchequer, the chief executive of the Higher Education Authority has said. It had previously been thought that the university owed €1.6 million in 'unlawful' allowances paid to senior academic staff. However, the authority's chief executive Tom Boland yesterday told the Oireachtas Public Accounts Committee that the figure was far higher. 'We're talking about €6 million over the period of the unauthorised payments', he said.... It emerged at a previous meeting of the committee that additional allowances were paid over a 10-year period without the approval of the authority, despite legislation that stipulates approval must be sought" (IT, 21 Jan.).

The HEA is currently trying to claw back this 6 million Euro that they say was overpaid by UCD to some of its staff. But they are finding it very difficult. UCD was no doubt exercising its academic freedom in allocating this money.

The minimum that should be done immediately is to implement Ray MacSharry's proposal that the HEA be brought back under Ministerial control. This exercise of democratic responsibility might also be considered by our academics as a barrier to their freedom and it begs the question—how much is this academic freedom to cost the taxpayer in terms of his/her money and his/her rights and freedoms?

The Second Greatest Event Of 1916?

Introduction: Next April will mark the 95th anniversary of the 1916 Rising. Yet this February also sees the 95th anniversary of an event described at the time as "*next to the Revolution, the greatest event of 1916*". What on earth could that have been? This claim is explored in the following lecture, entitled "*Tall Tales of Drama and Revolution: Liberty Hall and Culture—the Early Years*", which I delivered at the Larkin Hedge School, held in the Liberty Hall Theatre, on 12th June 2010.

Manus O’Riordan

"*Next to the Revolution, the Greatest Event of 1916*". This was how the opening of a newly re-furnished theatre in Liberty Hall was described in February 1916. If that description might be considered by some to be a bit over the top, who are we to quarrel with that writer's priorities? For it was none other than the architect of the 1916 Rising, James Connolly himself, who attached such importance to Liberty Hall as a cultural centre.

The opening of a new theatre is an event in itself. In an article entitled "*The Abbey Theatre's First Secretary*", which was published in the *Irish Independent* on 14th January 1955, Máire Davis provided a portrait of the person in question, her own cousin Fred Ryan. She recalled:

"I must have been approaching the teen-age when Fred brought me to the (then) Antient Concert Rooms in Brunswick (now Pearse) Street to see his play, *The Laying of the Foundations*, copies of one act of which were irretrievably lost when the company subsequently toured the United States ... Then at last came the Abbey. An old friend of Fred's told me recently that he was the first to enter the pit of the new theatre. He was clutching his sixpence (the price of admission) in his hand when the door was eventually opened—by Fred Ryan. To add to the anomaly of the situation Fred was wearing full evening dress for the supper party to be given after the performance to celebrate the long-awaited first night."

As Secretary of the Irish National Theatre Society, founded on 9th August 1902 and presided over by W.B. Yeats, the Dublin journalist and freethinking polemicist Fred Ryan had guided the project through to the securing of a permanent home in a building that had formerly housed the Mechanics' Institute in Abbey Street. Now, on this opening night of 27th December 1904, in the appropriately renamed Abbey Theatre, the production consisted of two plays, *On Baile's Strand*

by Yeats and *Spreading the News* by Lady Gregory.

But Fred Ryan also had an intimate association with our own Labour Movement. Formerly a member of James Connolly's Irish Socialist Republican Party, Ryan was to spend more than a year in Cairo serving Egypt's Movement for National Independence as Editor of *The Egyptian Standard*, before returning to Dublin to become founding National Secretary of the Socialist Party of Ireland in June 1909, with its Head Office in the Antient Concert Rooms. Following James Connolly's own return from the United States in July 1910 his first visit was to Ryan's home, resulting in him becoming the Party's National Organiser. But Ryan, conscious of Connolly's need for a living wage with which to support his family, went on to persuade the General Secretary of the Irish Transport and General Workers' Union, Big Jim Larkin, to also offer Connolly employment as an official in the Union he had founded only a year previously. Yet Ryan himself was forced by his own economic circumstances to emigrate once more in 1911, this time to Britain, where he would become fatally ill and die on 7th April 1913. Big Jim Larkin's tribute was brief and to the point:

"Fred Ryan is Dead. A man and a journalist. We could have afforded to lose a hundred of the alleged journalists who pollute the atmosphere if Fred had been left a while longer to assist in the work that requires doing."

Not least among the work that required doing was cultural work. Had *The Laying of the Foundations* survived in full, it would undoubtedly have been performed time and time again by the Irish Workers' Dramatic Club that had made its debut on the Liberty Hall stage less than four months previously. What survives of that play gives a central role to a character based on Connolly himself, in what Yeats described as "*a really astonishing piece of satire ... of a slightly socialistic tinge*". But, with Ryan's departure from Ireland in 1911, the impetus to provide the Labour Movement with a cultural life could not remain dependent on just one man, or indeed on any man at all.

It is indeed Delia Larkin, sister of Big Jim, who must now take centre stage as the key figure who spearheaded the emergence of Liberty Hall as a cultural centre. The inaugural meeting of the ITGWU's sister Union, the Irish Women Workers' Union, had taken place in the Antient

Concert Rooms on 5th September 1911, with Delia Larkin as its first General Secretary. While rousing speeches by Big Jim Larkin and the "Rebel Countess", Constance Markievicz (later to be that Union's Honorary President and Vice-President, respectively), were indeed mightily cheered, that night laid the foundations for something else that was quite special as well. Speeches at the meeting were in fact preceded by a piano performance of national airs and songs sung by Cathal O'Byrne. And, following the speeches, "*Cathal O'Byrne sang and sang again*".

Delia Larkin's own "Women Workers' Column" reported regularly for *The Irish Worker* on the growing vitality of such cultural activities. In the issue of 4th November 1911, Constance Markievicz herself penned an enthusiastic account of an evening of Song and Dance held by the Women Workers' Union in the Antient Concert Rooms, in celebration of Halloween:

"On Thursday evening last, 'All Halloween', the members of the above Union abandoned all care and anxiety and were 'At Home' to all their friends and sympathisers at the Antient Concert Rooms. The large concert hall, with its many jets of electric light providing a great contrast to the dismal, monotonous surrounding of the factory, a strange coincidence happened, inasmuch that while men and women of the working class were enjoying themselves in the building, the men of the professional class were feeding in one of the smaller apartments. The magnetic influence of the music compelled some of the latter to stop at the door of the workers' banqueting hall, and the expressions of surprise that escaped their lips proved once again that given the opportunity the working class can set an example that might be followed by those who consider themselves entitled to all the good things of this world. We noticed amongst the onlookers the new Attorney-General for Ireland. Dancing commenced sharp at 8pm, the music being provided by Professor Morrison's string band. A most important feature of the programme was the singing of Miss Agnes Tracey, a most brilliant juvenile vocalist. Her rendering of 'She is Far from the Land' was much appreciated and for an encore she gave 'The Last Rose of Summer' (in Irish), and for a further *encore* she sang 'Coulin'. Mr. Joe Walsh supplied the comic element with his rendering, in a style of his own, 'A Smart Little Bit of a Man', 'When I Joined the Army' etc. Messrs. Tom Kane, R. Farrell, Walter Carpenter and Mrs. Hewson also contributed to the evening's entertainment. The catering was in the capable hands of Mrs. Wyse Power. All too soon, like all good things, the end came at 1am by all present singing 'Auld Lang Syne'.

Many of those present expressed the hope that this was only the forerunner of many such functions, and it is to be hoped that the women workers will see to it that in the near future—the very near future—that this hope will be realised."

This was followed by a New Year's Social and Dance and the announcement of the first practice of the Irish Workers' Choir to be held on 1st February 1912. This choir, composed of members drawn from the ranks of both the IWWU and the ITGWU, and accompanied by the latter Union's band, made its debut a month later at a "St. Patrick's Day Concert and Dance" held before an audience of "several thousand" in the Antient Concert Rooms. These successes, coupled with the fact that at the end of February 1912 the ITGWU had acquired the Northumberland Hotel in Beresford Place and renamed it Liberty Hall, encouraged Delia Larkin to become even more ambitious. In *The Irish Worker* of 3rd June 1912, she announced the establishment of the Irish Workers' Dramatic Club to be based at Liberty Hall. Her philosophy of life was expressed in her "Women Workers' Column" on 11th November 1912, when she reprinted in full James Oppenheim's powerful song "Bread and Roses". This song had been inspired by the placards carried by women strikers in Lawrence, Massachusetts during that year's strike of 23,000 mill workers, marking such a milestone in the history of American Labour. Delia Larkin recruited an Abbey Theatre actor, Andrew Patrick Wilson, as Manager and Director of the Irish Workers' Dramatic Club. Already a committed Larkinite himself, who wrote a regular weekly column for *The Irish Worker* over the pen-name of "Euchan", Wilson also followed the example of Fred Ryan in authoring his own Labour play, entitled *Victims*. Subsequently, during the 1914-15 period when Wilson had succeeded Lennox Robinson as Manager of the Abbey Theatre, another of his Labour plays, entitled *Slough*, with the immediacy of being set during the 1913 Dublin Lockout, was staged by the Abbey itself on 3 November 1914.

Liberty Hall first emerged as a theatrical venue on St. Stephen's Night, 26th December 1912, when the Irish Workers' Dramatic Club made its debut with four plays, including Wilson's own One Act drama, *Victims*. The leading performer was Delia Larkin herself, and repeat performances followed on 28th and 29th December. Liberty Hall was further used as a cultural venue on 6th January 1913, when a New Year's Concert was staged including "rousing recitations given by Shawn

Connolly and Micheál Ó Maoláin". Further theatrical productions followed on St. Patrick's Day, 1913. There was, however, to be more than one type of dramatic performance staged. In Donal Nevin's monumental work, *James Larkin—Lion of the Fold* (1998), James Plunkett—author of *Big Jim* (1954), *The Risen People* (1958) and *Strumpet City* (1969)—related:

"Larkin himself was persuaded on one occasion to take the part of the Ballad Singer in Lady Gregory's play *The Rising of the Moon*. His son, Young Jim Larkin, told me about the hilarious outcome. His father decided that there was no necessity to learn the lines, because he believed that in so fine a play they would come naturally and spontaneously to him in the course of the performance. The outcome was that while he could keep going through improvisation, the rest were scuppered. His sister, Delia Larkin, was the prompter, and the performance deteriorated into an argument in full view of the audience between prompter and performer about whether the script or Jim Larkin had the correct lines. The audience hailed it as the most entertaining presentation of the season."

Notwithstanding such an occurrence, Delia Larkin's pioneering cultural work dovetailed with Big Jim's own philosophy of providing workers and their families with the widest possible access to the arts. Indeed, Larkin not only confronted William Martin Murphy as an employer on the industrial field; he confronted him on the cultural field as well. When Murphy opposed the construction of an Art Gallery for the purpose of housing the Lane collection of paintings, Larkin emerged as foremost champion of Sir Hugh Lane.

Theatre became a weapon in the industrial struggle itself. At the height of the 1913 Dublin Lockout, Delia Larkin's re-named Irish Workers' Dramatic Company took over the Gaiety Theatre for the night of 16th December 1913, in order to stage a fund-raiser for the hard-hit workers' families. On that night, two of Lady Gregory's plays were performed with the author's permission—*Spreading the News* and *The Workhouse Ward*. The Irish Women Workers' Union also staged another St. Patrick's Night Concert in Liberty Hall and held a series of weekly Saturday All-Night Dances in the Hall—embracing what was described as both "*Irish and English Dancing*"—until the season closed on 11th April 1914.

The fund-raising theatrical campaign was also carried across the water. On 2nd May 1914 *The Irish Worker* proclaimed that "*Delia Larkin and her Irish Players are in London*". The once more re-named

Irish Workers' Dramatic Society had been brought over for a series of British performances, commencing at the King's Hall, Covent Garden, on 8th May, with William Boyle's Three Act comedy *The Building Fund* and Lady Gregory's *The Workhouse Ward*. Delia gave an interview in London, which *The Irish Worker* now reprinted, wherein she outlined her cultural objectives:

"Wages in Dublin are so low that the only place the workers could afford to go was the music hall. I do not object to music halls, but I thought that if it were possible to provide them with a more elevating and interesting form of recreation it should be done. I started a little elocution class at Liberty Hall and discovered that some of the workers had a natural gift for acting. I trained them myself, having a great deal of interest in dramatic work, and we produced plays, learning our stage craft as we went along, and even getting our own scenery painted ... All the members of my company are victimised workers, and when you find that they have enough spirit and courage to start out on such an undertaking after being in a dispute that lasted seven months—well, it says something for their loyalty and enthusiasm. Some of them had not enough clothes to come away properly dressed; they are dock labourers, grain workers, girl factory hands ..."

In August 1913 Larkin had also established Croydon Park as a recreational centre for both cultural and sporting activities. Accounts by Emmet Larkin and Seán O'Casey vividly evoke the spirit of those times. Donal Nevin has also detailed how deeply that great Irish working class playwright Seán O'Casey appreciated the monumental achievement of his friend and hero Big Jim in enriching the cultural lives of working class families. In his 1945 autobiography, *Drums Under the Windows*, O'Casey described Larkin as "*a man who would put a flower in a vase on a table as well as a loaf on a plate*". In a letter to my own parents, Kay and Micheál O'Riordan, dated 5th April 1955, O'Casey also wrote:

"The labourer's little lad and the labourer's little lass should know the shape of a violin, a piano, and a guitar; should be in a position to handle them and make them speak—one or the other of them; should know something about colour, line and form in a good picture; and should be able to read, recite and enjoy Shakespeare, and all the richness of literature which is their heritage as well as the heritage of all the others. All these things that Jim Larkin brought into the fight for bread; the great Jim Larkin; Jim Larkin with a loaf under his oxter and a rose in his hand."

Both of O'Casey's descriptions were variations on the "*Bread and Roses*" theme,

first popularised in Ireland by Delia Larkin in 1912.

While the aftermath of the Dublin lockout of 1913-14 had primarily taken its toll on the victimised workers themselves, as well as their families, both the ITGWU and the IWWU had also been severely damaged as organisations, and their leaders Big Jim and Delia Larkin rendered thoroughly strained, drained and exhausted. Big Jim set off for New York in October 1914 and Delia left for London in July 1915. It was Connolly who, as Acting General Secretary of the ITGWU, persuaded Helena Molony to re-organise the Irish Women Workers' Union and become its new General Secretary. Connolly would also join Constance Markievicz as one of that Union's Vice-Presidents, while Big Jim Larkin—though remaining on in the United States—continued as Honorary President.

As an accomplished Abbey Theatre actress herself, Helena Molony also set about reviving social and cultural activities at Liberty Hall. On 25th September 1915 *The Workers' Republic* advertised that the following night, Sunday, would see Liberty Hall stage the first of a series of Concerts and Dramatic Performances organised by the Irish Women Workers' Union, which would include a performance of Lady Gregory's play *Spreading the News*. A fortnight later *The Workhouse Ward* was performed. Such dramatic productions became a regular fortnightly event at Liberty Hall, and among other plays performed was *The Recruiting Officer* on 7th November. The Christmas 1915 issue of *The Workers' Republic* was to make the following announcement:

"St. Stephen's Night (Sunday Night) in Liberty Hall, By Special Request, the Workers' Dramatic Company will produce *The Building Fund*, to be followed by a First Class Concert. At 11 pm the Hall will be cleared for an All-Night Dance, under the Management of the Irish Citizen Army."

Such activities at Liberty Hall intensified during 1916, and became a weekly event. On Sunday, 9th January, the Irish Workers' Dramatic Company staged both *The Bishop's Candlesticks* and *The Lad from Largymore*. Sunday, 6th February saw a production of *Uncle Pat*, followed a week later, on 13th February, by *The Troth* and *Spreading the News*.

The Front Room of Liberty Hall no longer proved adequate for accommodating the huge crowds that were being drawn to enjoy such productions. During that same week the Hall itself was fitted up as a proper theatre. In *The Workers' Republic*, on 19th February 1916, James

Connolly announced that the following night, 20th February, would see "*the opening of the New Theatre in Liberty Hall*" and that "*next to the Revolution*", it would be "*the Greatest Event of 1916*". It was indeed a Gala Opening. *Uncle Pat* and *The Bishop's Candlesticks* were performed by the Irish Workers' Dramatic Company, while the Workers' Choir sang under the direction of John Rogan. An exciting new development was the first performance by the Workers' Orchestra under the direction of Michael Mallin, an accomplished flautist and band instructor, and second-in-command of the Irish Citizen Army under its Commander-in-Chief, James Connolly himself.

The following Sunday night, 27th February, saw the production of *Birthright*, a play in Two Acts, and *The Lad from Largymore*, a comedy in One Act, followed by what was described as "*a High Class Concert*". On this occasion the new Liberty Hall Theatre began to be described as the Irish Workers' Concert Hall. On the following Saturday night, March 4th, the programme was repeated as a benefit night for two injured members of the Irish Citizen Army; and one night later, 5th March, saw the IWDC stage a Three Act play entitled *The Eloquent Dempsey*, which, once again, was "*followed by a High Class Concert*".

The Dramatic Company was allowed to take a break the following Sunday before returning to stage *The Building Fund* by W. Boyle on 1st March. But Connolly's concept of linking Revolution and Theatre together as the greatest events of 1916 took a further leap forward on Saturday, 26th March, when the Irish Workers' Dramatic Company staged his own play *Under Which Flag?*. This drama was to receive a particularly enthusiastic review from Francis Sheehy Skeffington in *The Workers' Republic* on 8th April. The production was also fortunate in having the leading role taken by the Abbey Theatre actor, Seán Connolly, who had first graced the stage of Liberty Hall in the 1913 New Year's Concert and who, as a Commandant of the Irish Citizen Army, was now within a month of acting out the real-life drama of the Easter Rising. *The Workers' Republic* for 25th March had advertised *Under Which Flag?* as "*a New Play, dealing with the '67 Movement, in Three Acts, by James Connolly*".

There could be no quiet normality after that. Revolution was now very much in the air. A week later, on 1st April, *The Workers' Republic* announced that the next night's production of the One Act Comedy *Uncle Pat* would be accompanied by "*a*

Play by Madame Markievicz". This programme was repeated the following Sunday, 9th April. A further week later, Liberty Hall was to be the centre for high drama in every sense, both afternoon and evening. *The Workers' Republic* for 15th April called on readers to assemble outside Liberty Hall at "*3pm for 4*" on Sunday, 16th April, when, accompanied by the Fintan Lalor Pipe Band, the Irish Citizen Army would enact the "*Solemn Ceremony of Hoisting the Irish Flag*". The Citizen Army in fact mustered a full turn-out for that ceremony which was performed before thousands of onlookers.

As regards that evening's entertainment the advertisement was for *Ireland First*, a play in Two Acts by P. Kehoe, to be performed by the Irish Workers' Dramatic Company in the Workers' Concert Hall. It is not, however, clear whether this play was actually supplanted or went on instead to serve as an appetising curtain-raiser for a more significant event. One way or the other, the high-point of that Palm Sunday evening was the second performance of James Connolly's own play *Under Which Flag?* A capacity audience rose to its feet as the play came to a close and Seán Connolly raised centre-stage inside Liberty Hall itself the same Green Flag with golden harp that had been ceremonially raised above the building earlier that afternoon, and as he spoke the closing lines authored by his namesake: "*Under this flag only will I serve. Under this flag, if need be, will I die.*"

Seán Connolly had also been scheduled to take the leading role in a Yeats play at the Abbey Theatre on Easter Tuesday, 25th April, but, of course, he was dead by then. There is indeed an added poignancy in reading through *The Workers' Republic* for 1916 and knowing how soon after that second performance of James Connolly's play as many as four key players in the early years of Liberty Hall as a cultural centre would all be dead—both actor and drama critic in just over a week, and both musical director and dramatist in less than a month.

The very last issue of that paper, for 22 April, attempted to give some impression of business as usual when advertising for Easter Sunday, 23 April, a Liberty Hall production of "*Róisín's Robe—an allegory in One Act by P. Hogan—and The Leadin' Road—a comedy by S. Mac Manus*". But the real drama was to take place the following morning, Easter Monday, 24th April 1916, when the Irish Citizen Army marched out from Liberty Hall—one contingent led by Commandant James Connolly to seize the General Post

Office, another led by Commandant Michael Mallin to seize the College of Surgeons, and yet another led by Commandant Seán Connolly to seize Dublin's City Hall.

Seán Connolly would be the first to kill in that Rising—shooting Constable James O'Brien as he rushed to close the gate of Dublin Castle against the insurgents. And Seán Connolly himself would also be the first insurgent to be killed that same Easter Monday afternoon. The Abbey Theatre and Liberty Hall actor was on the balcony of the City Hall dome raising the very same Green Flag that he had raised on stage eight nights' previously, when he was fatally wounded by a British Army sniper located in the Tower of Dublin Castle. As he lay dying, his head was cradled by his fellow Citizen Army officer (and fellow Abbey Theatre and Liberty Hall colleague) Helena Molony, his blood reddening that self-same flag. Peter de Rosa was to observe in his 1990 book *Rebels—the Irish Rising of 1916*, that "it was a case of *Death imitating Art*". And among the Citizen Army garrison commanded by Seán Connolly at the City Hall were his own 15-year old brother Matt

and his actress sister Mrs. Katie Barrett who had starred with him in *Under Which Flag?* at Liberty Hall.

As a pacifist non-combatant, Francis Sheehy Skeffington had, of course, killed nobody at all, and had no intention of ever doing so. Nonetheless he was taken hostage by the British Army near his Rathmines home the next evening, Easter Tuesday, and was among those murdered inside Portobello Barracks on the morning of 26th April by Captain J.C. Bowen-Colthurst, a cousin of writer Elizabeth Bowen. The two remaining cultural pioneers whom we have mentioned were condemned to death by a British Army Court-Martial, because of their leadership roles in the 1916 Rising. The Director of the Liberty Hall Workers' Orchestra, Michael Mallin, was executed at Kilmainham Jail on 8th May, while the severely-wounded James Connolly was executed on 12th May. Recalling, once again, Connolly's own description of the opening of a newly refurbished Liberty Hall Theatre as "*next to the Revolution, the greatest event of 1916*", the purpose of my talk today has been to commemorate both of those events.

Manus O'Riordan

Naval Warfare

In the Seven Years' War (1756-1763) England set the precedent that not only enemies, but also neutral countries, and even allies, had to suffer during her wars.

Under the pretext of damaging the enemy, all trade was forbidden with both enemy and neutral ports and the Royal Navy sought to capture every ship that sailed under a foreign flag. This policy, which was consistently followed, resulted gradually in the eliminating of all neutral and hostile shipping and their replacement by the English merchant marine.

During the American colonial war England faced a threat to this policy. In the 1780s attempts to promote free commerce of the seas while England was at war were undertaken by Catherine the Great of Russia. This was through a policy of 'Armed Neutrality'. Its objective was to first protect Russian and then other neutral shipping from Royal Navy attack during the American war of Independence. In this it proved relatively successful in isolating Britain and securing the rights of neutral shipping to trade with belligerents as they chose.

Sweden and Denmark joined Russia to

form an 'Armed Neutrality of the Baltic powers'. The Baltic States had been particular targets of the Royal Navy in the British wars of the eighteenth century because they exported wood and England attempted to cut off the supply of wood in wartime, lest it be used by other nations for the building of ships.

The nations promoting the idea of 'Armed Neutrality' demanded that Britain give immunity to an enemy's commercial cargoes carried under the neutral flag and insisted that 'contraband' be confined to arms and munitions. That would make foodstuffs, and wood used for building purposes (provided they were not destined for the Government of a belligerent nation), safe from capture. They also called for neutral ships to have the right of going to the unblockaded ports of a belligerent country, and of carrying on trade along its coasts. And lastly they argued that blockades should only be recognized when a sufficient naval force effectively bars the entrance to the blockaded port—rather than being simply declared.

These demands mirrored closely those made by the neutral powers in 1914-15 in

respect to the definition of 'contraband' and also that a port or coast should only be considered as legally blockaded when the blockade is effective i.e. when a sufficient fleet is there present to enforce it.

This latter point was important because it was often the custom of the English simply to declare a coast to be 'blockaded', even when no English ships were in the vicinity. This was the so-called 'paper blockade'. Such an approach handily released the English fleet from all the duties incumbent on the blockading party and permitted the Royal Navy to reap all the advantages, free of cost, of sustaining the blockade, like the right of seizure of all vessels neutral or hostile, whilst not actually having to enforce it in practice.

When England was in a desperate position in the American War (at war with her own colonies and France and Spain), she momentarily pretended to accept the proposals of the League of Armed Neutrality. However, she was biding her time and continued to seize goods on neutral ships which, she claimed, were bound for her enemies. When the war with the Thirteen Colonies was concluded, England refused to allow the League to participate in the peace negotiations so that the rights of neutrals in wartime could be enshrined in treaty and declared the proposals of the League to be null and void in future.

During Britain's war on the French Republic an attempt was made to revive the 'armed neutrality' of the 1780s by the League of the North—in which Russia was joined by Denmark, Sweden, Prussia and Spain. Its requests were moderate and similar to those exercised in the American war.

In addition, the League of the North proposed in 1800 that neutral conveys should self-regulate themselves on issues of 'contraband'. This would involve contracting neutrals sailing in convoy and declaring their contents on lists if stopped by belligerent men of war. The advantage of this would be that it would make it unnecessary for the belligerent man of war to individually stop and search each ship for contraband by taking as valid the statement presented by the warship leading the neutral convoy.

For the neutral this presented the advantage of not having its trade interrupted by constant stop and search and for the belligerent it meant that they could concentrate their warships on the enemy.

But, whilst other powers were prepared to accept the proposal of the League of the North, England was not ready to surrender its power of stop and search—which it regarded as part and parcel of the process

Part 7

of war. For Britain, wars were not just about defeating the declared enemy. They also involved the opportunity to disrupt neutral trade and supplant it in the future with British trade.

British wars were geared toward the capture and holding of the world market through the continual disruption of rival trading, and stop and search was very much part of a war of attrition waged on neutrals, lest they avail of the opportunity to increase their share of trade.

The French Republic agreed to respect this 'armed neutrality' of the neutrals as the French Monarchy had earlier done, viewing it as consistent with French maritime practice with regard to the non-interference with neutral shipping. But England declared these demands to be contradictory to her right to impose order on the seas in wartime—the order that she required to pursue and expand her own commercial objectives.

The League made energetic efforts to keep the Baltic and North Seas open for neutral shipping and, in response to British threats, to close the Baltic to British shipping as long as England did not agree to the demands of the neutral powers. So Britain decided to smash the League of the North and re-impose its ruling of the waves.

England took the League of the North's assertion of Armed Neutrality to be a life and death matter for England. Lord Nelson, speaking in the House of Lords in 1801, put forward the view of it that:

"A proposition so monstrous in itself, so contrary to the Law of Nations, and so injurious to the maritime interests of this country, that if the maintenance of it had been persisted in, it would have been our duty never to have ceased war with those Powers whilst a single man, a single shilling, or a single drop of blood remained in the country" (The Free Seas in War, p37).

The most notable way Britain challenged Armed Neutrality was by attacking neutral Denmark in 1801 without bothering to issue a declaration of war. A British fleet was sent to Copenhagen and it was bombarded for days. Lord Nelson declared that he would set fire to captured Danish ships with their crews on board if the city did not surrender. The Danes subsequently surrendered with over 2000 dead.

The destruction of Copenhagen and the assassination, in the same month, of Czar Paul of Russia, the principle driving force behind the Armed Neutrality, led to the collapse of the League of the North.

However, Britain was not finished with the Danes. After the French victory at Jena in 1807, the British fleet under Admiral Gambier headed for Copenhagen again and an English army under Wellington surrounded the city from the land side. Copenhagen was bombarded from land

and sea until the Danish fleet was surrendered to the Royal Navy, which took it off to sea.

David Urquhart was a vocal critic of the 1856 Declaration of Paris in which he believed England had signed away her maritime supremacy by giving neutral shipping rights in wartime. The following is from Urquhart's *Examination on the Right of Search, 1855* and it honestly describes Britain's policy toward the Armed Neutrality of the Northern League:

Q. WHAT was the armed neutrality?

A. Denmark had a treaty with England, and Sweden had a similar one—the first, from 1670; and Sweden from 1656, signed in the time of CROMWELL—by which the old right was positively specified; consequently, this treaty was a violation of the existing compact with England, as well as of the law of nations. But there are circumstances still more remarkable. On the 4th of July, 1788, Denmark had signed a convention with England amplifying the treaty of 1670, in reference to contraband of war, which had not been sufficiently explicit. In this Convention was inserted, as additional items, hemp and timber, the produce of a neutral Power. Four days alone intervened between Denmark agreeing to this enlargement of the restriction of her neutral trade and her joining the armed neutrality, which she did on the 8th July.

Q. What is the meaning of that?

A. It is this. Russia had found the moment come for stirring up the armed neutrality, and had so completely the Court of Denmark under her influence, that in an hour she made it reverse its maxims, its alliances, and its laws. It was the same as regards Sweden.

Q. What of the other Powers who joined the armed neutrality?

A. The next Power that joined was Prussia—the Government that had just put forward and then withdrawn its pretensions... The next state is Spain... Here are Spain, Sweden, France, and Denmark, swept suddenly round, like so many pieces of machinery. I call your attention to this as showing the completeness of Russia in intellectual supremacy. This happened in the last century, and will prepare you for what we are coming to presently. You will observe that if those Powers had adopted this principle, it was for them to have asserted it when England was about to make or renew treaties.

Q. Did Russia assign any grounds for her course?

A. The ground which Russia assigned was the liberty of the seas, as a law of nature and of reason.

Q. Did France accept such a proposition as this, seeing the maxim she had hitherto maintained?

A. She did. In her declaration she says that she 'did not hesitate to profess that the war she had undertaken had no other object but the liberty of the seas; that she was supporting the rights of neutrality at

the price of her people's blood; and that the claims of the armed neutrality were no other than what were allowed by the rules of her marine!

Q. How did England deal with this armed neutrality?

A. England made no concession.

Q. Then England continued to seize enemies' goods in spite of the armed neutrality?

A. Yes.

Q. What was the consequence of England persevering in this course?

A. The total destruction of the power of all those who had banded together, and the annulling by every one of them of the maxim they had put forth."

The smashing of the Armed Neutrality League marked an important development in the assertion of British maritime ascendancy and her domination of the world market. It established Britannia's ruling of the waves against a challenge asserting that those who were not involved in England's numerous wars should be allowed to go about their normal business without being harassed by the Royal Navy when Britain went to war.

Britain, however, asserted her right, by force, to prevent the world from going about its business when England went to war. The world had to stop and wait until the wars were won and things had been reordered in England's interest by the Royal Navy.

Pat Walsh

The following letter, submitted on 20th January, failed to be published by the Irish Times

Protestants in Cork In The Early Twenties

I endorse Prof Brian Walker's view that the Irish Times digital archive is a valuable resource (January 19th). So too is the Independent archive and that of numerous local newspapers. They do indeed reveal a "harrowing picture of what many members of the Protestant community experienced" in the early 1920s.

However, Protestant interpretations of Protestant experience depend on the time frame selected: the 1919-21 War of Independence, the Truce period of July 1921 to Civil War in June 1922, within that the unstable interregnum period between Treaty Split and onset of Civil war (January to June 1922), and the Civil War period itself, to May 1923. Brian Walker's newspaper citations refer to the later civil war period.

Partition produced splits in Irish Protestant and unionist opinion. Shifting alliances caused repudiation by southern unionists of Ulster unionist sectarianism and also alienation from British counter insurgency (see my letter of November 5th 2007).

The 1922-23 Anglo-Irish Treaty split and Civil War saw unionists who felt betrayed by Carson and Craig transfer allegiance to the new Free State that emerged victorious from a brutal Civil War. I believe the evidence shows that sectarianism could be an incidental but not a systematic factor in Southern Protestant experience in that context.

It was a harrowing time for various communities. The sectarian legacy of British rule lived on virulently and unashamedly in a Northern Ireland incapable of self-reform. It also emerged as confessional (both Roman Catholic and Protestant) and conservative management of a southern society that was capable of a

degree of self-reflection and reform. That would have been impossible if southern Protestants endured experiences remotely comparable to those of Catholics generally in Northern Ireland from 1920 onwards. That is why Gerard Murphy's *The Year of Disappearances*, that attempts to make this case for Protestants in Cork and that initiated this discussion, is a "confusing muddle" (review, December 11th). Without mentioning it, Professor Walker appears to agree with Murphy's view.

However, Professor Walker and I may debate this out using rolled up archival copies of the Irish Times as our evidential weapon of choice.

Niall Meehan

Professor Walker and Gerard Murphy

Past And Present

Professor Brian Walker of the Queen's University, Belfast, had a letter in the *Irish Times* on January 19th on the subject of the killing of Protestants in Cork during the War of Independence of 1919-23. It followed a letter from Niall Meehan on the same subject on January 18th. Meehan's letter followed letters from Gerard Murphy and Mark Charles Nolan by a longer interval, January 6th and 13th. These two letters were comments on a review by Murphy on December 11th.

Murphy's book, *The Year Of Disappearances. Political Killings In Cork, 1921-22* (Gill & Macmillan), alleged a genocidal campaign against Cork Protestants conducted by Florence O'Donoghue, Sean O'Hegarty and Martin Corry (later a Fianna Fail TD). It was orthodox history, telling the story as invented by Professor Fitzpatrick of Trinity College and his History Workshop, which is now the dominant story in Irish history-publishing. (Carroll Professor Foster laid it down that narrative history is by its nature invented and partakes of the quality of the fairy story. Let those who would dispute that Trinity history is invented take issue with their trail-blazer, Professor Foster.)

The little dispute in the Letters' Column of the *Irish Times* arose from the fact that its reviewer, Caoimhe Nic Dhailbheid, did not hail Murphy's book as a classic as, for example, Dr. John Paul McCarthy of Oxford University did. The reviewer, not properly attuned to the fairy-story mode of revisionist history for Ireland, is finicky about factual detail, such as the picture of a paranoid O'Donoghue "ordering the abduction and execution of up to 12 unknown Protestant civilians after the Truce

of July 1921:.. And about the blending of supposition and ascertainable fact: "Murphy asks what if abductions had occurred... The hypothesis is then treated as factual throughout the remainder of the book."

Imagine! an *Irish Times* reviewer dwelling on ordinary truth in the presence of the higher truth of propaganda in the worthy cause.

But, having got these quibbles out of her system, the reviewer recommends the book, and she doesn't even mention Murphy's startling assertion that Josephine O'Donoghue was a serial child murderer.

Nevertheless Murphy felt he had been badly done by. It was not the business of the *Irish Times* to raise pedantic obstacles of detail against the higher truth of right-thinking historians. So he wrote a letter to the paper praising his book unreservedly and it was published on January 6th. And on January 13th Mark Charles Nolan's letter was published, praising "*Gerard Murphy's meticulously researched book*". Then, on January 18th, the paper published a letter from Niall Meehan in support of the review. And, the following day, Professor Walker's letter appeared, adding its weight to Murphy's side! This had all the signs of a letter solicited by the paper. And it was what aroused my interest in the matter.

I was blackballed by the *Irish Times* forty years ago because I started a view of things supportive of the Ulster Protestants and suggested that, while Partition lasted, the North should be governed within the democracy of the British State which held it, rather than farmed out to the local majority to act in place of the State. That did not suit the British interest, which had

a use for Northern Ireland as a place apart, which gave it leverage on the South, so the paper allowed no expression of my view—and was praised for that by Martin Mansergh. So I went my own way. I took little heed of the latest one-sided discussion until Professor Walker's letter appeared, recommending "*an important contemporary source*" regarding the condition of the Southern Protestants in the early 1920s: "*I refer to the excellent historical archive of the Irish Times*". And he gives a number of dates on which Protestant complaints can be looked up.

Walker's distinctive view as an academic Unionist historian is on these lines:

"A belief in the great importance of the past or history in Ireland is widespread. The Downing Street Joint Declaration of December 1993 stated that the most urgent need facing the people of Ireland, north and south, was to remove the causes of conflict, 'to overcome the legacy of history' and heal the divisions which have resulted... The essays in this book challenge such views of the significance of the past... It is wrong to see our current conflicts as the result of a long, deterministic history or to believe that we have a unique history which ties us in a special way to the remote past" (*Dancing To History's Tune*, 1996, pvii).

"History has always been a political weapon in Ulster, a powerful sustenance to ideological myth, a defence and validation of unities and discontinuities that did not exist, and a buttress of divisions and distinctions that were equally false" (*Ulster: An Illustrated History*, 1989, p7).

"It is a commonplace view... that the present conflict in Northern Ireland has deep roots... The essays in this book challenge this view of the relevance of the past in Ireland" (*Past And Present*, 2000, pix).

"The idea that the conflict is based on age old hatreds and long term historical roots is not only incorrect but damaging. In its challenge to the importance of perceived notions of history, this book asserts the primacy of people to control the making of their own history today" (ibid, p x).

It is puzzling, in the light of this, that Walker should engage agitationaly in a current dispute about the past in its bearing on the present, do so in support of an author who seems to revel in myth, and present a polemical newspaper archive expressing the British view as the source of historical truth.

The idea of a present detached from the past was something that interested me long ago, in the 1950s. In the backwardness of the rural, half-Gaelic Ireland from which we escaped—De Valera's Ireland in which sturdy youths and comely maidens danced at the crossroads on Sunday afternoons

after Mass and courted against the ditches on Sunday nights after milking the cows—I tried to imagine a present disconnected from the past. I did so with the help of Henry Bergson's philosophy and French existentialist novels. (That was the kind of thing we used to do then, when we knew no better.) I have been meaning to write something about it ever since I noticed that Brian Walker was reviving it down the road in Belfast at the Institute of Irish Studies. (In Belfast everywhere is just down the road from Athol Street.) And I thank the bias of the *Irish Times* for providing the stimulus to do so.

The existentialists puzzled over the idea of a free act—an act that did not follow from the prior history of the individual; an uncaused act. And I recall a novel in which the hero, finding himself alone in a railway carriage with a complete stranger, threw the stranger out of the speeding train on impulse, in what he took to be a free act because he had no reason for it.

I don't know how widespread the feeling is that life within the chain of causation is intolerable. I only know that it exists, and it is a virtual certainty that people have done away with themselves because of it.

There is a Joyce tag about history being a nightmare from which he was trying to escape, and another about going into exile to forge the conscience of his race. I don't understand either. It seemed to me that he went into exile in order to preserve the nightmare, to save it from historical change. He lived for evermore in middle class Home Rule Dublin of the generation before the Great War. He preserved that Dublin forever in a European cult novel which, after decades of fame abroad, became saleable in Ireland, and was made the centrepiece of Irish tourist culture and of the official national culture of the Universities. It remains the great unread novel of the world—unread at least in the English-speaking parts of it. A couple of years ago I heard a few chatterers on BBC quality radio, who were determined to read *Ulysses* before they died and suggesting ways of getting through it. And, a couple of weeks ago, I heard Kiberd on Radio Eireann exhorting the Irish to read it, and assuring them that it was possible to read it, especially if you did a lot of skipping. It seems that it is important to have read it, or at least run through it, like Mark Twain in an art gallery.

The only way I can see of freeing the present from the past is by means of a vast and thorough brainwashing operation. *Ulysses* might play a part in that, as a representation of the past as nightmare.

There is an Evelyn Waugh novel in which the hero is lost in the jungle and is saved by an old man who cannot read but happens to have the collected works of Dickens. The hero is consigned to the hell of reading Dickens aloud for the rest of his life. *Ulysses* would have been more excruciating. It might serve as negative therapy in the brainwashing process.

An individual can of course escape from one history by going into another. It does not seem that race—for all Joyce's ambition to forge its conscience—carries social memory with it. But migration from one history to another is not possible for a society that operates a State. The European Union was seen as a haven from history by an Irish middle class stratum looking to escape. But there could be no escape from Irish history into European, because Europe was a combination of national histories. It had no history of its own. It was a project of European Christian Democracy—which had a degree of common history—whose aim was to establish a European structure that would prevent England from playing its balance-of-power game against Europe. The Cold War division of the world disabled Britain with regard to Europe for about 40 years. When the Soviet system collapsed the *Times* reflected in an editorial that it should be possible to resume the balance-of-power game. That was about 1990. Twenty years later the European project as been reduced to a shambles by British influence, actively assisted by the Irish stratum that sought to lose itself in Europe, e.g., Pat Cox and Brigid Laffan. Now they are faced with the prospect of being Irish again, and they don't know what that is.

The nightmare is not the history. It is the escape.

The most ambitious brainwashing operation ever undertaken—at least since Moses and the forty years in the desert—was Mao's Cultural Revolution. Its purpose was to free China from the Confucian millennia. Its immediate effect seems to have been to prevent an instant, narrowly-based, capitalist development. Its long-term effect seems to be a widely-based capitalist development within a Confucian political and cultural mode.

Henry Kissinger has recently tried to explain Chinese development to the West as essentially conservative and traditional. China, a well-conducted and stable state for millennia, was knocked out of its stride briefly by world-conquering Western militarism. Now, after a brief hiccup of a century and a half, it has restored itself. It does not want to conquer the world. It is a danger to the world only in that it is

determined that the world—the USA and Britain—shall not conquer it. And, of course, failure to subordinate China and free it from its history is a world-historic tragedy for the millenarian sense of Ameranglian destiny.

A Polish Hegelian of the late 19th century, whose name I forget, secularised the *Book Of Revelations*. That is, he held that its future was scientifically, or philosophically, knowable. But he only asserted this in principle, leaving to others the technology of knowing it. And an English economic guru of Marxist origin, Will Hutton, went on record a few years ago that the State Capitalism developing in China was an impossibility because Capitalism is not possible without the culture of the French Enlightenment.

So, for Hutton, the present is not happening. And Walker sometimes seems to be on the verge of saying that the past did not happen, or at least that, if the past happened, it was not a determinant of the present.

My problem about seeing a past that can be counterposed to the present is that which I see most clearly is a self-reproducing present. It does not look to the past to give itself content. Existentially it just is. And it no sooner is than it was. It is here today and gone tomorrow. But, in the going, it carries itself with it. That is called memory. Human existence is not possible without memory, and the present is not possible without the past.

About forty years ago English Socialism, in a political situation rich with possibilities of development, undermined itself with wild revolutionism. Prominent in that self-indulgent revolutionism was a kind of mad Marxism called Althusserianism, which veered between total Determinism and groundless Voluntarism. Out of that welter of half-baked notions came the thought that "*social relations are imaginary*", meaning that they are not like the relation of one brick to another in a brick wall. Out of this came the notion of imaginary nations and invented traditions. Declan Kiberd (Chair of Anglo-Irish Literature at University College Dublin) published a book about *Inventing Ireland* quite a while ago, and a Maynooth Professor, R.V.A Comerford, recently published a history of Ireland as an imaginary nation.

The conceits of English socialist intellectuals unable to engage with the possibilities of their actual world have been found useful in the revisionist project in Ireland, which aspires to wipe out the Irish past from the Irish present by means of mass third-level education. At the moment when the great expansion of education was happening, Raymond Crotty, the

founder of the Irish Sovereignty Movement, had an article in the London *Times* appealing to England to take Ireland in hand again, because it was unable to think for itself. Oxbridge responded to the appeal. I am not saying that they did not begin the 'revision' of Irish history—i.e. the re-writing of it in the British interest—before Crotty's appeal. But the appeal must have indicated to them the scale on which it was possible to attempt it.

It remains to be seen whether the transplant will be entirely successful—whether the Irish present can be attached to English history. But it seems that an Irish academic without the Oxbridge *Imprimatur* is now seen as a maverick.

Walker is not in the forefront of this development. He functions in Belfast, and Belfast, having other things on its mind, is the traditional, conservative and sensible part of Ireland in these matters. The populace, in its two great divisions, lives actively in the present that emerged from the past, and Whitehall, since it took over day to day government in 1972, has had little success in marginalising the past and creating a vacuous present, despite the vast sums it has devoted to the project by way of patronage.

And Walker's denial of the past is much ado about nothing. The first chapter of *Dancing To History's Tune is 1641, 1689, 1690 And All That*. He does not actually deny that the memory of the events that happened on these dates has exerted a continuing influence on the conduct of the Ulster Protestant community. He says little more than that the emphasis on them in commemorations shifted this way and that over the centuries in the light of current affairs. And he concedes that a change of emphasis in commemorations did not signify that what was not emphasised was forgotten.

During the decade of the Ascendancy Volunteers (1782-1793), when it seemed that Ireland under Protestant hegemony was to be an independent partner in the Empire, there was naturally a change of emphasis in commemorations. But that project was aborted in 1793 and there was a turn of events leading to 1798. "*Protestants would soon forget the 1798 rebellion in which many presbyterians participated as United Irishmen and remember instead certain 17th century events*" (p4). The Protestant nation aborted, the Catholic populace, abandoned to its own devices by the Union, became a separate political force recreating something like the 17th century situation, and this was emphasised in commemorations. But 1798 was *not* forgotten. I found that it was still well remembered in 1970. It was just not celebrated.

One of the great remembered events

was the 1859 Revival—which was past and present all in one. It was a great watershed of religious enthusiasm which established unity of feeling across old differences without forgetting them. Walker does not mention it.

"The evidence... about the events of 1641, 1689 and 1690, and when they become important to Ulster protestants, must lead one to question seriously the idea of a continuous sense of unionist history, based around these events of the 17th century, coming uninterrupted from that time to the present" (p12).

That of course depends on the meaning of "*Unionist*". Unionism began in September 1798, when the (British) Government proposed the abolition of the Irish Parliament. Until then the issue was who was to be dominant in the Kingdom of Ireland. The Orange Order was a militant opponent of the Act of Union because it looked to the Irish Parliament as the bastion of Protestant Ascendancy—which it was. But, when the Irish Parliament was abolished and the Catholic populace were organised into a political movement for the Repeal of the Union, the Orange Order naturally took up a Unionist position, because the internal balance in Ireland had changed. It is only if one trips over words through slipshod use of them that this seems paradoxical or "*ironic*".

There is much more of this kind, but that must be left to a future article.

With regard to Murphy, Walker's coming to his aid might be described as "*ironic*"—because come to his aid he did, even though his letter uses no names, because it is a situation in which context gives meaning. For Walker the past does not give rise to the present, while for Murphy "*the past does not go away*" (p18).

Murphy's book is frantic stream-of-consciousness reflection on the past/present in which all sorts of odds and ends are thrown together timelessly and borne along by sheer enthusiasm. He reveals in a Preface that it began as a novel, but the publisher said it would be better as a history. She had a point. It does not have the narrative coherence required for a readable novel, or the quality of realism. And I suppose that, after a generation of revisionism, the readers of Irish history-books are well trained in the suspension of disbelief.

He says that the book "*is at best a theory or, rather a series of interrelated theories*", but at the same time, "*all the events described here are true*". And I suppose the supposition that Josephine O'Donoghue—who had to kidnap her child from her fundamentalist Protestant English parents-in-law after her husband was killed in the Great War and might have acquired

a taste for kidnapping children and become a child-murderer—is an event which happened. The formulation of a hypothesis is an event in the mind of its author, is it not? I seem to recall that Mark Twain wrote an account of a battle that was not fought, and thought it important that he should do so.

Len Deighton, a military historian as well as a novelist, wrote about a meeting between Churchill and Hitler in June 1940 with a view to ending the war. The possibility of the event arose in the Diary of General Sir Edward Spears, who accompanied Churchill everywhere in that period. It lay not in what Spears said but in what he did not say. And that seems to be the method of history-writing used by Peter Hart and continued by Murphy.

Deighton gave an account of the meeting as fiction—I forget in which novel—but it had considerable "*verisimilitude*". That means likeness to the truth, and was a quality Dublin Castle required of its forgers in 1920. It is what a novel, showing action through character, must have. But it seems that it is no longer needed in History.

Murphy writes in a political vacuum. There is a chapter called *The Political Landscape*, but there is not a word in it about the political framework in which the War of Independence happened, and without which it seems unlikely that it would have happened.

The book is about how spies were dealt with in Cork City, "*a city of spies*", in a war without political context.

"Cork was in many ways still a loyal city even as late as 1919..."

"A large percentage of the people in A Company area had connections with the British forces and police; vested interests had been established over the years; shopkeepers were handling big military contracts; the soldiers and police had intermarried with the citizens; in fact 90% of the residents in our area could be regarded as being pro-British and hostile to the IRA. Only about one house in every hundred could be regarded as pro-IRA'..." (p42. The internal quotation is from a submission by Sean Healy to the Bureau of Military History).

Cork was such a 'loyal' city that in the 1918 General Election it replaced the Home Rule Party with Sinn Fein, and was not contested by the Unionists. But it was a major garrison city which, in parts, was closely bound up with the British Army. When Britain, after losing its Home Rule fig-leaf in 1918, embarked on military rule against the democracy, and sought to use its small pockets of support against the populace, certain things followed as a matter of course when the democracy proved, unexpectedly, to be serious about itself.

Walker directs *Irish Times* readers to the *Irish Times* Archive (put on the Internet on funds supplied by the Irish Government) for the truth about 1920-21. That, no doubt, is a simple expression of his loyalty. But the *Irish Times*, like Anglo-Ireland in general, looked on the 1918 Election and the Dail as another Irish antic that would be dealt with as many Irish antics had been dealt with in the past. There was no need to come to terms with the pretentious democracy because it would soon be dispelled. That was hardly a vantage point from which the substance of the event could be seen.

The IRB [Irish Republican Brotherhood]: *"This was a small cadre of men dedicated to physical force as a means of forcing political change"* (Murphy, p61). Its aim, in fact, was Irish independence. That is what it was *"dedicated to"*. The British State ruled Irish independence off the voting agenda. It would be conceded only to superior force. Britain thus put *"physical violence"* on the Irish agenda by making it the only means of achieving independence.

"Violent action, not political manoeuvrings, was their game", i.e., the IRB's. In fact the IRB did a lot of political manoeuvring and engaged in hardly any violence for a generation before 1916.

The IRB, *"past masters of the art of putting together structures that of their nature depended on secrecy"*, organised certain Volunteer units in Cork *"on a need-to-know basis"*, so that—

"the ordinary Volunteer on the street... was essentially in the dark as to the reason for his orders. Since the sources of intelligence were secret and the transmission of information was secret, the reasons for the decision to execute so and so were also secret. As far as the IRA was concerned, this was literally blind justice. Those doing the killing were often told a story that was quite at odds with the actual background for such executions. This was necessary, for if someone was caught after a shooting he would not be in a position to give away the reasons behind it. He had simply been told to shoot a 'spy'. What the spy had done to deserve this fate was not the concern of the gunman... This was a killing system, death by remote control" (p61-2).

Here is a sensible description of an Army functioning as an Army in difficult circumstances, as the agent of a democracy subjected to the military regime of the most powerful Empire in the world, concluding with a bizarre leap into the language of the horror comic. And that is just pretty much of the book is like.

Did the British High Command consult firing squads about the advisability of executions?

Brendan Clifford

Was It For This That Madam Denied Publication?

On 18th November last, an *Irish Times* editorial rhetorically asked *"Was it for this?"* and proceeded to elaborate in its first sentence: *"It may seem strange to some that*

The *Irish Times* would ask whether this was what the men of 1916 died for". It provoked an immediate response the following day from a former News Editor at the *Irish Times*, Eugene McEldowney, but his short letter, reproduced below, was denied publication by that paper.

The line 'Was it for this' comes from Yeats's poem, *September 1913* and has got nothing to do with the Easter rising. It is a response to the lockout of workers by the Dublin employers led by William Martin Murphy. If anything, it is an attack on the grubby, commercial values of the emerging Irish middle class of the time. Ring any bells?

Perhaps you should ask your Literary Editor to cast a cold eye over future editorials.

Eugene McEldowney

The Swiss Constitution, Some Observations

"For It Is Written . . ."

"You know what the fellow said—in Italy, for thirty years under the Borgias, they had warfare, terror, murder and bloodshed, but they produced Michelangelo, Leonardo da Vinci and the Renaissance. In Switzerland, they had brotherly love, they had five hundred years of democracy and peace—and what did that produce?—The cuckoo clock!"²

Millions heard; doubtless, some believed this travesty of Swiss history³ and achievement.

"It is astonishing how little the rest of the world knows about the way Switzerland runs its politics. Even its next-door neighbors in Europe, though vaguely aware that it is a deeply decentralized country, do not really understand the other, more important part of the Swiss system—the part that could turn out to be a model for everybody's 21st century democracy."^{4 5}

THE DEVELOPMENT OF THE SWISS CONFEDERATION

In 1787, when arguing for a federal system in the United States, Madison and Hamilton described the contemporary Swiss Confederation: -

"The connection among the Swiss cantons scarcely amounts to a confederacy; though it is sometimes cited as an instance of the stability of such institutions. They have no common treasury; no common troops even in war; no common coin; no common judicatory; nor any other common mark of sovereignty. They are kept together by the peculiarity of their topographical position; by their individual weakness and insignificance; by the fear of powerful neighbors, to one of which they were formerly subject; by

the few sources of contention among a people of such simple and homogeneous manners; by their joint interest in their dependent possessions; by the mutual aid they stand in need of, for suppressing insurrections and rebellions, an aid expressly stipulated and often required and afforded; and by the necessity of some regular and permanent provision for accommodating disputes among the cantons."⁶

These contentions were authoritatively supported in 1915: -

"It was only when the Hapsburgs⁷ or the French threatened the Swiss that they formed any effective union for the defence of the Fatherland. Always at variance in time of peace, the cantons never united save under the stress of a common danger. The greater the pressure from without, the closer was the union. That truth has been illustrated several times from the age of the legendary Tell down to the glorious efforts of 1798. In a word, the selfsame mountaineers who live disunited in time of peace, come together and act closely together in war, or under threat of war."⁸

While acknowledging that the French encouraged "Helvetic Republic" {1798-1815} the Swiss historian, William Martin, described it as *"inspired by the mathematical concepts of the French Revolution"*.⁹

Post-Napoleonic Switzerland became *"a new political entity"*.¹⁰

In 1914 Dicey, "the founding authority" of the English constitution,¹¹ described the USA and Switzerland, as *"the two most successful of federal experiments"*.

He wrote of Switzerland:

⁹"Never was there a country in which it seemed more difficult to produce national unity. The Swiss cantons are divided by difference of race, by difference of language, by difference of religion. These distinctions till nearly the middle of the nineteenth century produced a kind of disunion among the Swiss people which in 1914 seems almost incredible. They forbade the existence of a common coinage; they allowed any one canton to protect the financial interest of its citizens against competition by the inhabitants of every other canton. In 1847 Sonderbund threatened to destroy the very idea of Swiss unity, Swiss nationality, and Swiss independence.

"Patriots had indeed for generations perceived that the federal union of Switzerland afforded the one possible guarantee for the continued existence of their country. But attempt after attempt to secure the unity of Switzerland had ended in failure. The victory of the Swiss federalists in the Sonderbund war gave new life to Switzerland: this was the one indubitable success directly due to the movements of 1847-48. It is indeed happy that the victory of the federal armies took place before the fall of the French Monarchy, and that the Revolution of February, combined with other movements which distracted Europe, left the Swiss free to manage their own affairs in their own way. Swiss patriotism and moderation met with their reward.

"Switzerland became master of her {sic} own fate. Each step in the subsequent progress of the new federal state has been a step along the path leading from confederate union to national unity."¹²

Discounting the influence of the French Revolution on the 1848 constitution, Martin insisted that its success was primarily due to its answering the needs of the time and addressing the needs of the future by the insertion of "*revision clauses*"¹³ in the federal and in all cantonal constitutions. This combination was a Swiss initiative.¹⁴ British jurists, who studied the Swiss solution of its extreme "*racial-religious-cultural*" problems, might have seen its potential application to "*The Irish Question*". Dicey was vehemently against Home Rule.

"THE FEDERAL CONSTITUTION OF THE SWISS CONFEDERATION"¹⁵

"A written constitution is a major achievement of the democratic state based on the rule of law. It is the highest law of the state. It states the fundamental values of the political community, and it also sets the most important rules, those that make it possible to live together in freedom, peace, and security."¹⁶

The Federal Constitution 1999

(Updated to 7th March 2010) is organized in six "*titles*",¹⁷ containing 197 Articles. Fundamental rights receive due prominence, but in addition, there appear matters which might be expected in exclusive statutes. For example, Articles 76-80 deal with water: forests: protection of natural and cultural heritage: fishing and hunting and protection of animals. Articles 81-87 cover transport—roads, railways and fuel duties. Other Articles deal with housing, pension plans, social security, unemployment insurance, health protection etc.

AN ODDITY...

By Article 72.1.& 2. cantons are responsible for the relationship between Church and State. With the Confederation, they preserve public peace between the different religious communities. No religion is named throughout the Constitution, which makes Article 72.3 conspicuous for both content and brevity:—"The construction of minarets is prohibited."¹⁸

...AND CONTRADICTION?

Article 59 requires every Swiss man to do military {or civilian} service. Those who evade service are liable to pay a special tax. This conflicts with Article 8, the guarantee of sexual equality. The Federal Courts—

"found that the contradiction between the Articles 8 and 59 of the Constitution is indeed 'real', and therefore constitutes a constitutionally enshrined inequality. However, the court also found that this inequality does not violate the principle of equality before the law, as it considers Article 59 to be a 'lex specialis',¹⁹ which takes precedence over the general principle of equality. Therefore, the constitutionally enshrined inequality stands in conformity to the constitution."²⁰

Mitya New opened her chapter on "The Swiss Army" by saying: "*The army is central to Switzerland*".²¹ It is a conscripted militia of up to 650,000 men,²² who serve until the age of 42²³—say 20 years.²⁴ She points to a paradox; in 1994 a study of major Swiss companies and Government revealed concerns at the costs of officer training for senior managers; yet this training is regarded as an asset in management.

DEMOCRACY

The National Council is composed of 200 Representatives of the People elected through proportional representation; the Council of States has 46 representatives of the 26 cantons (including six demicantons, which function as full cantons, but have one representative each). The Cantons determine the rules for the election

of their representatives. Members are part-timers, expected to earn their livings among their electors. The two councils are of equal status and form the Swiss Federal Assembly, which is established by Article 148 as "*... the supreme authority of the Confederation*" {v.p.}.

The Assembly makes laws by federal statutes or ordinances and federal decrees.

DIRECT DEMOCRACY AND "REVISION CLAUSES"

"{Direct Democracy is} Any system of government in which all decisions are made by collective choice of the citizens, and not through representatives. Direct democracy is contrasted with representative democracy, and it is widely assumed that it is feasible only if the body to be governed is small, and so able to register its preferences by repeated voting. ...*Some argue that only in a direct democracy is there any guarantee that the people are sovereign....*"²⁵

The only qualification of Federal Assembly's sovereignty {above} is that it is "*subject to the rights of the People and the Cantons*".²⁶

Articles 138 and 139 institute the fundamentals of Direct Democracy. Essentially, 100,000 citizens can propose a *complete or partial revision* of the Federal Constitution. Article 140 requires that these amendments must be approved in referendum by a majority of the People and of the Cantons.

There is a further provision, allowing for popular review of legislation. Article 141 provides: "*If within 100 days of the official publication of the enactment any 50,000 persons eligible to vote or any eight Cantons request it, the following shall be submitted to a vote of the People*"—Federal statutes; Federal Statutes declared urgent with a validity exceeding one year; Federal Decrees to the extent the Constitution of the statute foresees this; and certain International Treaties.

CONCLUSIONS

"No existing society in the West, except possibly for Switzerland, is a shining model of a civic society."²⁷

Unintended consequences can ensue; for example, in 1993, the military Chief of Staff collected the necessary signatures for a referendum to have a moratorium on military spending.²⁸ (This seems to constitute insubordination, possibly mutiny, if another serving soldier voted for the proposal. The Swiss have punished senior officers' transgressions.²⁹)

In a direct democracy, experts "*are*

forced to explain the necessity for change not only to a small number of people (members of government and Federal Assembly) but to everybody. This is very helpful to ensure that (almost) everybody will understand the need for {and potential effects of} change."³⁰

The success of the Swiss democracy is partly due to its Constitution's "revision clauses", its comprehensiveness, and the enthusiastic participation of its citizens.³¹ The "impossible" obstacles to the Swiss triumph of peace and reason have been mentioned, but it is postulated that in addition the Constitution's architects had to overcome the potential "tyranny of the majority". The ultimate Swiss genius was the transformation of the country's greatest liability, its "political geography" in into one of its greatest assets. By retaining the independence of cantons and counteracting the huge disparities in populations (largest 1,242,000: smallest 15,000) through the Council of States and in referendums, they achieved a balance and avoided what might have been the "tyranny of the majority".

"... A MODEL FOR EVERYBODY'S 21ST CENTURY DEMOCRACY"

The Federal Constitution of the Swiss Confederation is unlikely to be accepted as an ideal model; ruling élites probably prefer constitutions which facilitate governmental control.

"In Switzerland, they had brotherly love, they had five hundred years of democracy and peace—and what did that produce?"

... Not five hundred years of democracy and peace, merely 162 years, in the centre of Europe, with enviable prosperity and direct democracy, which experts assert, was "difficult with in groups larger than 10,000 and impossible in populations above 50,000".³²

Ruairí Ó Domhnaill

¹ **Matthew 4:10. "Be gone Satan..."**

² This was added by Orson Wells to Graham Greene's "The Third Man" [1949] script. [Wikipedia.]

³ In an English coastal county, [population 750,000] the County Library had two books [1971 & 1971] on Swiss history.

⁴ **BEEDHAM, B.**, United Press International, review of Gregory Fossedal's *The road to full democracy*. [2002]

⁵ Emphasis added.

⁶ **MADISON, J. with HAMILTON, A.** *The Insufficiency of the Present Confederation to Preserve the Union*. For the Independent Journal. Saturday, December 8, 1787. Federalist Paper No. 19.

⁷ The Habsburgs—to Anglophones "Hapsburgs"—originated in northern Switzerland.

⁸ **ROSE J.H.** *The Development of the European Nations, 1870-1914* (5th ed.) 1915.

⁹ **MARTIN, W.** Switzerland from the Romans to the present. 1971 pp.225-6.

¹⁰ **HOBSBAWM, E. J.** *Nations and Nationalism since 1780*, p.84.

¹¹ **KLUG, F., STARMER, K. & WEIR, S.** The three pillars of liberty, 1996, p.38.

¹² **DICEY, A.V.** Introduction to the study of the law of the constitution, 9th Edn, 1939 p.604. v.p.

¹³ Op. cit.

¹⁵ There is a persistent tendency among Anglophones to define "confederation" by contrasting it with "federation" which may make this heading appear incongruous e.g. **SCRUTON R.**: A dictionary of political thought, 1982, p.86.

¹⁶ **KARRER, P.A.** *Switzerland's new Federal Constitution*: Unofficial Translation, 1998. [Supplied by The Swiss Embassy, London.]

¹⁷ A translation is available on the Internet.

¹⁸ Since 2009.

¹⁹ "lex specialis derogat generali"—specific law prevails over general law.

²⁰ Correspondence, 2010: The Swiss Embassy, London citing The Federal Office for Gender Equality.

²¹ **NEW, M.** *Switzerland Unwrapped*, 1997, p.120.

²² From a 7.1 million population.

²³ Formerly 52.

²⁴ *Ibid.*, p.121 fn1.

²⁵ *Scruton*, op. cit., p.129.

²⁶ Emphasis added.

²⁷ **SHILS, E.** *The virtue of civility: selected essays on liberalism, tradition and civil society*. Ed. S. Grosby. 1997, p.97.

²⁸ *New*, op. cit. p.135, fn 8.

²⁹ *New*, op. cit. pp.122-6.

³⁰ **JUD, M. G.** [Ed.] *Geschichte-Schweiz*. Lucerne, 2004.

³¹ *Ibid.*

³² **MARSHALL, G.** *The Oxford dictionary of Sociology*, 1998 p.147, citing Sale and Dahl: *Scruton*, op. cit. p.129.

aware of Ireland's precarious condition, Sarkozy would tug away from under our feet the one carpet that helps us compete in an otherwise very un-level playing pitch.

We do not have the mass populations or heavy industries of either France or Germany, but Sarkozy, who cares only about France and an EU superstate and in that order, doesn't even want us to have that.

Where is the much vaunted "healthy competition" that these acolytes of the free market are always baying about? The fine print of the current IMF / EU bailout package wants Ireland opened up to even more external competition. Yet he detests healthy competition among EU countries when it goes against the interest of Sarkozy.

Thirdly, other EU countries may have higher corporation tax rates but they add other sweeteners and packages that make these rates less drastic than they look.

I didn't believe these hypocrites when we were being promised "no interference" in our corporate tax rate as a sweetener to vote Yes to Lisbon II and time has shown me right. Having bullied and gotten what they wanted I knew they would come after our corporate tax rate as soon as the dust settled.

All this without delivering even a single of the promised jobs that were supposed to flow from Lisbon, apart from some new EU official posts.

If the EU ever collapses, I suspect it will have a lot more to do with the megalomania and greed of certain leaders than the sorry financial state of the "PIIGS".

Nick Folley

17th January

Irish Examiner

Report

It won't be the PIIGS who ruin the EU

It almost made me burn with rage when I heard French President Sarkozy's griping about our "low rate" of corporation tax.

With his usual penchant for what could be interpreted as veiled threats, he mentioned that Ireland couldn't keep coming for EU financial assistance while having a tax rate half that of France or other EU countries. Let's be clear about a few things — the financial bailout to Ireland is not just about helping our banks, it's also about helping the rest of the eurozone maintain its stability.

Were the countries so disparagingly referred to in some circles as PIIGS to collapse, it would bode very ill indeed for the whole EU federal project so beloved of yet another Frenchman of small stature and grand notions.

Secondly, it seems despite being fully

Due to pressure of space a number of items have been held back. These include, *The Dream Of Sir John Davies, in which John Minahane takes issue with editorial remarks on Strafford and 1641, which appeared in the December issue; Part 3 of Philip O'Connor's Zionism And De Valera, which deals with the legacy of Governments stretching from Aiken to Haughey; and Ted O'Sullivan's The Inconvenient Roger Casement*

Does
It
Up

Stack
?

CELTIC TIGER: RISE AND FALL

It was Jack Lynch as Taoiseach, and Martin O'Donoghue as his economic adviser who did the deed. It was they who bought off the voters of this country by offering to do away with *Rates on Private Housing*. Rates were based on the rateable Value of the house and largely based on the cubic capacity—the number of square feet in the house and the height of the ceilings. Immediately the Rates were done away with—people started building bigger and more expensive houses. Mortgages got bigger too; 60% mortgages became 70%, then 70% became 80% of the value of the house. Eventually mortgages rose to 100%. And then to 110% when the value of carpets and fitted kitchens were taken into account. The bankers woke up to the enticing prospects and threw caution to the winds: the new market became the 'Property Market'. Commercial and industrial loans had to take a back seat; all the resources of the Irish economy became focussed on 'Property Loans' and 'Car Loans'. Most of the money, sorry, the finance, went abroad because most of the ingredients had to be imported and the wages were hugely paid to Poles and Turks who sent the money home and of course Ireland does not make cars. State revenue went up—Value Added Tax, stamp duties, PAYE taxes, import duties. The Government had brimming buckets of money and it had to be spent on benchmarking invisible benches and in funding unnecessary expenses and allowances for TDs, judges, Senators, Ministers, public servants and for all except the self-employed who got nothing except what they could earn themselves by their own enterprise. So the self-employed put their children into the public service and into the law or medicine—anything other than running a small self-employed business. Even the farmers and fishermen wanted out: over 50% of them are mainly in PAYE jobs now and the remainder are hugely subsidised by the EU and the Irish State.

Once the banks started circulating money for bigger and bigger mortgages, the house prices started to rise and by 1995 and 1996 the rise became a *property bubble* and house prices ceased to be related to construction costs. Urban Planners and engineers and local Councillors

got into the property bubble too. Corruption became widespread. Far more Planning Permissions were granted than the needs of the population warranted—however much that was falsely projected upwards. Flood-plains near every town and village in Ireland were built upon. The people, the majority of people with access to bank money went mad. So did the bankers who started borrowing enormous sums of money from the UK, Germany, France, and Spain etc. Every bank was borrowing from each other across Europe. And the price of houses kept rising. Eventually by 2004, the bank's auditors joined the merry throng as if they too were intoxicated. So did the regulators who ceased to regulate the banks and the construction companies. The media joined in to extol the new way to get rich—*buy property!* The media were being bought in through the vast advertising paid for by property developers, auctioneers and estate agents and the banks.

The mania had spread throughout the body politic into the wider community. Property was good and so property abroad was the next big thing—Irish speculators and developers spread to the UK, France, Portugal, Spain, Croatia, USA and other myriad countries. Our developers didn't think small. They borrowed in hundreds of millions for golf-courses, luxury hotels, new shopping malls and skyscrapers across Ireland and the rest of the world. Our regulators, politicians, bank directors and bank general managers know all of this—indeed they joined in it, so eager was everyone for a piece of the action. As did the troops of economists employed by banks, trade unions, industry organisations, political parties *et al.*

What a useless person is an economist without commonsense. Taoiseach Brian Cowen has eight advisors—excessively remunerated—as is he himself—and all of them not only watched as Ireland was run into the ground but also, if rumour has it correctly, many of them invested in the property bubble too. The same with the former Taoiseach Bertie Ahern and his team before him. It all stacks up to a very lamentable tale. Of what use is an economics degree which provides the skill to chart *last year's* economy but ours didn't even do that. Neither did they mark the numbers that not only suggested but loudly screamed that we were heading for the rocks. Somehow our universities are not turning out economists who can actually do the job. Even a cursory knowledge of the South Sea Bubble and the Dutch Black Tulip Bubble would have demonstrated what economic bubbles are like and could have shown what was coming down the tracks straight at us. But then the Universities themselves went into a building

frenzy and we had the stark raving mad sight of Cork University buildings including the Glucksman Art Gallery going *under water* as it was built on the flood plains of the River Lee which nearly always burst its banks in floods, as it did once more last year. Engineers? Planners? Really?

And even now we still have economists who are ignoring the lessons of the 1929 Wall Street Crash which resulted in twenty or thirty years of depression. Now it is somehow "different" they say. The evidence says otherwise. The built environment is now factually sufficient for the next thirty or forty years. There are much more than enough houses, shops, offices etc. to last us a lifetime literally. Maybe even for a hundred years. But of course that is not acknowledging the inherent unstable structure of the building work itself carried out during the Celtic Tiger era. Most of that highly skilled work was carried out by foreign labourers without skills of any kind and so there are already whole housing estates that are ghost estates essentially either because they were never finished or the work was so catastrophically bad that they can never be used as dwellings. All the expensive use of *scarce resources* that were *imported* into this country for these developments will end up being pulled down—there is no other way as not only are they unsightly but they are very poorly structured and are already falling down and thus likely to cause serious injury or death to our people.

One example of how our Government—including the Green Party—is still not getting the message is the *car scrappage scheme*. Ireland *imports cars*—we do not manufacture them. Why was this kind of mad scheme adopted? It doesn't stack up and there is reason to suspect that Fianna Fail and the Greens have friends who have huge car dealerships who are well known faces even on our TV screens. These people do not employ enough workers to make it advantageous to our economy so the question remains—why adopt it? If the Greens were serious about the environment—they wouldn't hassle the small car owners of this country into endless test-centres in order to discriminate against the poorer elements of society who cannot afford new cars. Importing cars is *not* environmentally friendly because the making of them uses huge carbon emissions and scarce resources that are leached from poorer countries. Discriminating against older cars on the basis of faulty science and even more faulty economics is literally destroying our economy.

Now the latest wheeze from our eco-warriors is the scheme to sell off Coillte Teoranta which is a State-owned asset—

read taxpayer here—which owns about 7% of the land of Ireland and most of our forests—even more important. Trees absorb carbon dioxide and exude oxygen and are vital to the health of our people and economy. Old Fianna Fail brought in a scheme where farmers long ago were encouraged to plant trees and I remember my father doing this—long before any eejit started carping about carbon emissions. Now carbon credits are being traded and making millions for Hedge Fund investors and the like, while countries try to do swaps to falsify their own emissions which dodgy science came up with in the first place. Plant trees and make it a sustainable living for more and more Irish farmers to develop into a little cottage industry at first thus gradually building it up to a real industry with a growing employee base. But no—our Government is actually planning to *sell* our *Coillte* off to the Chinese who desperately need timber or to a Swiss-based Hedge Fund—both of these have put in bids lately. One of the directors of *Coillte* is none other than Bertie Ahern. You would be hard placed to actually make this sort of thing up! Are the Greens objecting to the sale? Are they what?

So the politicians have let us down, the economists have let us down, the bankers have let us down but above all the regulators have let us down. The regulators were paid to be our watch-dogs and what did they do? Patrick Neary, the Financial Regulator watched while we got financially burned and he was rewarded with a lump sum of €600,000 and a handsome pension. Paul Appleby was the Company Regulator and he watched while limited companies became so interlinked that effectively the ownership was obfuscated to the point of untraceability and bank auditors issued blatantly untrue reports on the bank balance sheets. Yes, he neatly vanished from the scene. Back to London? Well he vanished and he was not called to account and nor were the auditors. Neither the Taoiseach Brian Cowen TD nor any of his Ministers is calling upon anyone to account or so it seems. Billions of euros have been robbed from the Irish tax-payers (not "lost" because "lost" is something that happens accidentally, there is nothing accidental about the billions gone) and of course the billions are still in existence but they are in someone else's pockets abroad. The billions are now owned by companies registered in places like Shanghai, Bermuda, Seychelles, Jersey, Guernsey, and Isle of Man. . . . and there is much rumour to suggest that these tax shelters are harbouring limited companies beneficially owned by many of the entrepreneurs and developers—who borrowed in Ireland and who are making a pretence of being bankrupt in Ireland. Massive tax-dodging

as well as debt-dodging is rumoured to be involved here. There are many developers who transferred some visible assets into their wives names but this is apparently a smokescreen to ostensibly keep NAMA and the Courts busy. The really major stuff is well hidden by a specialist army of tax-advisors and solicitors employed by a relatively small and elite international cohort of accountancy firms and law firms.

NAMA [National Assets Management Agency] should never have been established. It was not necessary for law-abiding people. Yes, the depositors should have been protected by guarantee up to say €500,000 because it was the Government by law regulation which had allowed the situation in September 2008 to happen. The banks should have been told to deal with their several situations. Anglo-Irish Bank should have been allowed to take its course—like Lehman's in the USA and Barclays etc in the UK. And Bank of Ireland and AIB could have been preserved—by State ownership if necessary like the banks in France. There was no apparent need for NAMA. Bank of Ireland and AIBplc are experts at getting in their loans. They have the expert staff and the information networks to trace their money and their debtors. NAMA has no such expertise. NAMA may try to buy in such expertise but the banks have it now. Why try to reinvent the wheel? Like Martin O' Donoghue, the TCD [Trinity College Dublin] economist to Jack Lynch, and the abolition of the Rates we got Peter Bacon the economist who is credited with the invention of NAMA for Minister of Finance Brian Lenihan TD and Taoiseach of-the-day Brian Cowen. And, just a thought, why does NAMA have to have as Chairman Frank Daly who was Chairman of The Revenue Commissioners during the Celtic Tiger years? Is it because he did a great job as Chairman of the Revenue Commissioners? We have as Financial Regulator now Matthew Elderfield, who was previously in Bermuda and was at Cambridge University where, incidentally or not—our Finance Minister Brian Lenihan did his post-graduate work after Trinity College. The latter sure knows how to pick them! But somehow or another it all stacks up to a "very fine mess" as the old comics Laurel and Hardy used to say.

ACADEMIC JOBS

The lack of expertise amongst the economists reminds me of the academics. They want jobs for life but they put it more elegantly than that. It is—they say—their bedrock of academic freedom—though how this could be so is unclear. They seek the freedom to leave their job whenever

they like and at the same time—have the right to stay in the job no matter how badly they perform—and having some knowledge of how academia works—believe me they can perform very badly indeed and that's if some of them actually turn up for their lectures. The actual teaching hours for those who do teach are minimal—though of course no academic wants to be known for merely teaching—they call it "lecturing" and they are very sticky on this point. They lecture as much as fifteen or twenty hours a week for as much as twenty-six weeks a year. They feel frightfully overworked and say their remuneration—what we call wages/salary is too little at that. A librarian gets only €114,000 to €146,000 at UCD [University College Dublin] or €85,000 to €110,000 at TCD. Last November it was found that sixty people working in the education sector each earned over €150,000 a year! Des Fitzgerald, Vice President of UCD is paid €263,602 a year. Dr. John Hegarty, Provost of TCD is paid €202,118 a year plus use of a free house at 1, Grafton Street—including free butler and servants and access to the TCD wine cellar all at the tax-payer's expense. The Auditor-General questioned the paying of allowances in addition to the wages and there was a scandal in Limerick where three full Presidential salaries were simultaneously being paid to the President and to two former Presidents plus allowances for several years.

Most of the costs of the Universities are paid by us the tax-payers and the Universities are now backing a proposal that, in addition, the students should also contribute to the excessive salaries and allowances. It is outrageous cheek therefore for over 150 academics led by Professor Tom Garvin to publish what amounts basically to a begging letter in *The Irish Times* claiming that the proposed implementation of the Croke Park Agreement would interfere with academic freedom (e.g. days off etc.) and the bedrock on which it—academic freedom—rests. These academics have easily the best jobs in Ireland and the best pay and conditions, way over their European counterparts or those of the UK or even those of the US. There is a minority of statutory lecturers and professors who are incompetent boozers or idlers and deserving dismissal and the majority are doing themselves no favours by resisting the implementation of the Croke Park Agreement. Particularly when, in international tables of competitiveness of academic standards, our Universities compare so unfavourably—a way down the scale.

Michael Stack ©

TAX continued

Two former Taoisigh, Garrett FitzGerald and John Bruton, have also come out against any change.

Dr. FitzGerald said it was unthinkable that the IMF would impose such a harsh measure on the economy when its objective in coming in here is to get the economy and the national finances back on solid ground.

Attacking the tax would be counter productive and John Bruton went further pointing out that our low corporate tax regime was initiated as far back as 1956 even before the EU was founded.

The scare around losing the low rate is a fresh reminder that we are so heavily dependent on foreign companies. Some have argued that our reliance on foreign direct investment was over done, that we needed a strategy beyond a craven reliance on US multinational firms.

Some economists have identified that weakness and point to the significant potential still offered by the food sector.

INTEL BOSS

The talk about an educated workforce; quality of life, etc. is small fry compared the tax advantage of working out of Ireland. It is the only reason they are here, as Intel's Craig Barrett reminded the Farmleigh conference last year. He said of all the reasons why Intel had located in Ireland in 1989, only one—the favourable corporate tax rate—still held true.

Craig Barrett, the former global head of Intel, one of the jewels in the FDI crown said last year that the Irish should look to their own skills and ingenuity to start delivering winning companies in various sectors that can compete globally. (*Irish Examiner*, 20.11.2010).

FDI BUSINESS FRIENDLY IRELAND?

According to some of the country's leading economists, Ireland is the best country in Europe for ease of doing business and the country has retained "*exceptional advantages*" as a location for foreign direct investment, despite the economic downturn.

The ease of doing business, being an English-speaking country and the low corporation tax rate mean Ireland is still a huge attraction for foreign investment.

Traditionally, Ireland has courted the multinational sector, often prompting complaints by indigenous employers that they were being overlooked. The report states that 85 per cent of total exports are from foreign-owned companies.

The new Government document, *Trading and Investing in a Smart Economy*, wants to reduce Ireland's dependence on multinational exports, and boost exports from home-grown indigenous companies by one-third. It has started off with a simple pretext: which countries are we exporting to, and what products are we selling them?

"On Tuesday, September 28, 2010, the Government launched its latest jobs strategy. Trading and Investing in a Smart Economy. The report states that 85 per cent of total exports are from foreign-owned companies. The report has gone back to basics: tourism and agriculture.

"It is a disappointing document and contains an array of aspirational guff that has been repeated *ad nauseam* for years. A low-key successful entrepreneur said to me

a few days back that he next time he hears somebody going on about the smart economy, he will clock them. He is trying to operate a business that could certainly be termed 'smart', but he is tearing his hair out because he has to wait months to get adequate lines installed in his Dublin city centre office.

"Smart economy indeed!" (*Irish Examiner*, 1.10.2010).

There is another interesting aspect to FDI!

Our low corporation tax rate is shackling high technology start-up companies in Ireland.

In the growth phase, these companies are pre-profit or revenue, but need to attract and retain highly qualified and skilled staff.

Low corporation tax for foreign multinationals is a subsidy that encourages these companies to set up in Ireland.

These significant subsidies are not available to the start-ups, who then have to compete with the multinationals' attractive remuneration packages which are in effect paid for by the subsidy from the State in the form of the low corporation tax rate.

The availability of such highly competitive packages in a small labour pool is not compatible with an industrial policy aspiration of achieving several indigenous company listings on Nasdaq in a few years.

So you can't have it both ways. We either remain addicted to our supply of Foreign Direct Investment and keep the corporation tax rate low, or we wean ourselves off it and focus on creating a thriving indigenous industrial base.

The former is short-termist, whereas the latter offers us self-reliance and forward planning for the benefit of the nation.

GOOGLE THE PROFITS AWAY!

Internet giant Google slashed its tax bill by \$3.1 billion (€2.6 billion) over the past three years -- by moving a lot of its profits through Ireland.

Google, the world's most popular search engine, cut its tax bill by legally channelling money through Ireland and the Netherlands and then on to tax haven Bermuda, Bloomberg reported yesterday.

The company ended up cutting its corporate tax bill to just 2.4%, and tax experts are amazed at how little tax the company has managed to pay overall.

"It's remarkable that Google's effective rate is that low," said Martin Sullivan, a tax expert who previously worked for the US Treasury. "We know this company operates throughout the world mostly in high-tax countries where the average corporate rate is well over 20%," he added.

Google used methods that take advantage of Irish tax laws to legally move profits in and out of companies here, escaping Ireland's 12.5% corporate tax rate.

This strategy is known as "Double Irish" under which it shuttled foreign profits through its Irish operation to Bermuda.

Companies that use the "*Double Irish*" arrangement—so named because it relies on two Irish companies—avoid taxes at home and abroad.

"In a statement last night, the company said: 'Google complies completely with the tax laws of all the countries in which we have operations. As a result, we make a

very substantial contribution to local and national taxation and provide employment for thousands of people outside the US" (*Irish Independent*, 22.10.10).

"Facebook is another company now preparing a similar structure that will send earnings from Ireland to the Cayman Islands, according to its filings in the Caymans and Ireland" (*Irish Independent*, 27.10.2010).

Microsoft has managed to save billions in U.S. taxes by clever use of Irish tax laws. It set up two subsidiary companies—unlimited, which means no obligation to file public accounts—with registered offices at Dublin corporate lawyers Matheson Ormsby Prentice.

THE CELTIC TIGER?

As the world entered a new century, Ireland was the pin-up boy for the gospel of globalisation—a model for all other states to emulate!

Charlie McCreevy was even chiding the Germans how the might learn from the success of the Celtic economic model.

Mickey Kanter, the US Trade Minister described Peter Sutherland as being the father of globalisation—without whom there would have been no W.T.O.

The Anglo-Saxon economic model was about to fulfil the dreams of Francis Fukuyama proclaiming the "*end of history*". Liberal democracy and the Anglo-Saxon sociopolitical model had won the day and the Celtic Tiger was there to prove it.

WHERE NOW?

To build a serious recovery, we must learn from our mistakes. The deregulation and tax-cutting of free market fundamentalism generated a false boom and a big bust. This discredited ideology, still dominant in Ireland, is focused on slashing wages, welfare, public services and investment. They were so wrong before.

If we could turn the building sector into 25% of Irish output in the space of 10 years : is it beyond our capacity to drive the indigenous sector in time up to 50%?

The indigenous sector was as good as forgotten during the boom years.

Having gone through two years where the economic collapse was denied at first and then only gradually revealed, isn't it time to look at the realities and come up with an intelligent Irish solution for a change?

First of all, rather than standing with our backs to the wall and taking on anybody that dares to disagree with us, we should update some of the real studies on company taxation throughout Europe.

The Netherlands does not have such a huge amount of US investment because they like their canals, bicycles and tulips. They have built their tax system not just around a headline tax figure. They have introduced lots of conditions that makes it at least as attractive as Ireland's when it's all added up.

So why not explore and gradually upgrade Ireland's corporation tax system so when the day comes when the headline rate has to be changed it will still prove very attractive to foreign investment? We should remember too that once the country offered a zero tax rate—and attracted zero investment—so it's down to more than tax rates.

In the meantime perhaps we should also find a way where the facilities of the country, paid for by ever-more hard pressed taxpayers, are not given for nothing to foreign companies.

TAX continued

against an EU average of 21.5% with Luxembourg highest at 27%.

For tax on capital, Ireland's 15.7% is the third lowest in the EU against an average of 26% with Britain the highest at 46%.

FOREIGN DIRECT INVESTMENT: INTERNATIONAL PERSPECTIVE

FDI is a measure of foreign ownership of productive assets, such as factories, mines and land. Increasing foreign investment can be used as one measure of growing economic globalisation. The largest flows of foreign investment occur between the industrialised countries (North America, Western Europe and Japan). But flows to non-industrialised countries are increasing sharply.

The United States is the world's largest recipient of FDI. More than \$325.3 billion in FDI flowed into the United States in 2008, which is a 37% increase from 2007. The \$2.1 trillion stock of FDI in the United States at the end of 2008 is the equivalent of approximately 16% of US gross domestic product (GDP).

Starting from a baseline of less than \$19 billion just 20 years ago, FDI in China has grown to over \$300 billion in the first 10 years. China has continued its massive growth and is the leader among all developing nations in terms of FDI. Even though there was a slight dip in FDI in 2009 as a result of the global slowdown, 2010 has again seen investments increase.

In the CIA *World Factbook* for 2009, the United States is the largest net receiver of FDI. France, UK and Germany follow. Ireland is ranked 21st.

FDI is a measure of growing economic globalisation. The mantra by Irish political and economic commentators that if the rest of the EU is unhappy with Ireland's inordinate low FDI rate, then they too can reduce their rate to 12.5%. This is precisely the goal the globalisers yearn for. It further increases the growing gain of capital over labour throughout the world.

A real irony here is that since the Partnership Agreements from 1987 which stabilised Industrial Relations, and made Ireland even more attractive to the Multi-Nationals. The Trade Union movement has little or no membership in most of these FDI companies, particularly amongst the US corporations.

As capital's share of wealth grows that of labour decreases. FDI is a major example of this.

Corporation Tax rates are falling around the world, while sales taxes are increasing, with both trends likely to be maintained, a new report from KPMG has found.

The research shows that the Republic's Corporation Tax rate of 12.5% is among the lowest in Europe, where the average rate is 21.5%, down from 21.7% a year ago.

On the other hand, the average European indirect tax rate is 19.67%, compared to the main Irish VAT rate of 21%. The European average last year was 19.29%.

KPMG judges that indirect taxes will continue to rise while corporation taxes will fall, with more than 17 countries having changed either tax rates since last year, or

announcing plans to do so.

Experience has shown the Government that raising the Irish VAT rate can carry negative consequences. The rate was raised by half a per cent to 21.5% in 2008 but subsequently reduced again after an outflow of consumer spending to the North, where the VAT rate was 15%. The UK has since introduced a 17.5% rate.

"Next year, the numbers will look much different," said Mr. Campbell.

"We fully expect to see numerous fluctuations as many economies around the world announce indirect tax changes" (*Irish Times*, 16.10.2010).

FDI INFLOWS; FDI OUTFLOWS

In the discussion on FDI in this country, the emphasis is all on FDI Inflows, little attention is paid to outflow, that is Irish investment in other countries (CRH, Kerry Group, Glanbia, etc. including foreign companies registered in Ireland). Alone in the United States as mentioned above:

"Irish companies directly employ an estimated 82,000 within 227 companies at over 2,600 locations, in all 50 States across the USA. The cumulative stock of Irish foreign direct investment (FDI) in the US stood at \$34 billion in 2008. (American Chamber)

"U.S. firms have invested more in Ireland than in Brazil, China, India and Russia combined, says Joanne Richardson, CEO of the American Chamber of Commerce" (*Reuters*, 25.11.2010).

Just for fun, we'll throw another statistic in:

"The Prime Minister, Hon. David Cameron: My hon. Friend makes an extremely good point. Not only that, but Ireland is an enormously important trading partner for Britain. It is a fact that we export more to Ireland than to Brazil, Russia, India and China combined. That is a rebuke to us, because we have to do better with those other countries, but Ireland is an extremely important trading partner, and stability and success in the Irish economy is very much in Britain's interests" (*Hansard, British Parliament*, 15.11.2010).

The overall value of FDI in Ireland fell by nearly €18 billion to €120.9 billion last year, according to figures published yesterday (28.11.2009) by the CSO.

The new set of figures—which combine existing and new investment—also show that the amount invested abroad, by companies based here, grew from €101.9 billion to €123.3 billion last year.

Subtracting one from the other means Ireland's net total FDI asset position stood at €2.4 billion, as of the end of last December.

The growth in outbound investment by companies based here was driven by businesses investing more in their mainland European operations—investing in Europe grew by 22% over the year.

Investment from Ireland to regions like Britain, Luxembourg and North and Central America all grew last year.

In terms of sectoral breakdown, just over 60% of Ireland's foreign direct investment stock for last year was accounted for by the services sector—with the monetary intermediation and the insurance services sector the largest components.

However, according to IDA Ireland spokesman Thomas McEvoy the figures don't have a huge impact on the overall foreign investment picture for Ireland.

He added that the entire FDI activity—on a worldwide basis—has fallen by as much as 30% over the past 12 months; due to the global recession.

"The CSO figures reflect three main elements—equity capital, re-invested earnings and other capital like inter-company loans.

"The economic downturn has made the climate for inter-company lending very volatile and as falling profitability has become more commonplace, profits made in Ireland being re-invested in operations here have lessened in terms of re-invested earnings and that has been a major contributory factor in the fall", he said.

Indeed, there was a €6 billion reduction in the level of foreign company re-invested earnings, down to €175.4 billion; together with an increase of €11.5 billion—to €54.5 billion—in outflows of other capital.

THE P.D. POSITION—"YES"

Ireland's low corporation taxes will not be increased, Minister for Health Mary Harney has said, while she pointed out that the country is becoming competitive again because wages are falling.

Speaking to a Trinity College Dublin event in London, Mary Harney, Minister for Health said she wanted to offer "a well-grounded and reasoned confidence and hope" about Ireland's prospects.

"We will certainly not increase the cost of corporation tax in Ireland—the 12.5% rate is here to stay. It is an embedded part of the business environment in Ireland; as embedded as the soil and sun in France that produces superb wine; the centuries-old tradition of excellent design and style in Italy; and the Mittelstand engineering tradition in Germany," she said.

Almost as Finchley as Crossmaglen!

"Ireland had let labour costs get too high, she said: "We did let them get uncompetitive, but the direction is good now—we are getting more competitive.

"Ireland is the only country in the Euro area in which unit labour costs are falling—last year there was an improvement of nearly 7% in those costs relative to the Euro area," she said.

"Discounting the pessimism held abroad about Ireland, she said Ireland is a €160 billion-a-year economy that had once headed €190 billion 'but that was built on an excessive amount of construction'".

"We've had a permanent contraction. Still, a €160 billion economy from four million people is significant, and by any standards, is among the wealthiest in the world.

"This economy is not about to disappear", she said. (*Irish Times*, 23.10.2010).

"HOW DO YOU BUY KILLARNEY?"

Professor Colm McCarthy said foreign investment in Ireland has been linked with our low corporate tax rate for decades. It is part of the deal, he said.

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TAX continued

particularly outside Dublin, and to gain higher skilled employment.

By 2001, it has sponsored 1,300 companies, of which 500 were from the U.S. With a total employment of 125,000. It gives grants to firms of approx. €132,000,000 a year (2001 figures). the average cost per job declined from €41,000 in 1987 to just over €12,500 in 1999.

There were 41,700 people employed in international and financial services in 2000, with 69,000 in electronics and engineering.

GLAXO LONDON (29.11.2010)

Commenting on the proposals, GSK CEO Andrew Witty said:

"For too long, while great inventions and discoveries have been made in this country, downstream economic activity in development and manufacturing, and associated employment, have been attracted to other countries which have more favourable corporation tax regimes. In one stroke, the introduction of the UK patent box will help to change this dynamic" (Glaxo web site, London).

SIPTU RESPONSE

Cork-based SIPTU executive Alan O'Leary said the decision by Britain to reduce corporation tax for industries involved in research and development and related manufacturing was 'a threat to future investment in Cork and Ireland'.

Currently, Cork is the base for between 39 and 40% of the pharmaceutical sector in this country.

"Mr. O'Leary said he believed the British plan had to be seen as a threat to what has been a 'highly attractive Irish package, that offers good quality and an educated workforce.'" (*Eve. Echo*, Cork, 11.12.2010).

OLLI REHN

"It's a fact of life that after what has happened, Ireland will not continue as a low-tax country but it will rather be a normal tax country in the European context", said EU Economic and Monetary Affairs Commissioner Olli Rehn speaking in mid-November. He made his remarks after the Government disclosed that the bailout of the banks would cost a massive €50 billion.

However, Finance Minister Brian Lenihan promptly rejected the Commissioner's comments.

Mr. Lenihan made it clear that the Corporation Tax rate will remain at 12.5%, adding that it was a "cornerstone of the Irish industrial policy". Our Corporation Tax Rate is untouchable.

PRESIDENT SARKOZY

Taoiseach Brian Cowen insisted he would continue to defend Ireland's low Corporation Tax rate from outside attacks.

Mr. Cowen said the 12.5% rate was the cornerstone of the country's industrial policy, as well as an essential feature of its growth strategy.

"He argued there was no evidence that imposing a higher rate would result in larger revenues for the State. French President Nicolas Sarkozy recently said Ireland should not be allowed to access the EU/IMF bailout while maintaining a low corporation tax rate" (*Irish Independent*, 20.1.2011).

The Irish rate is much more competitive than that of France, where companies pay a rate of 33% despite France being the world's second largest beneficiary from FDI Inflow following the US. Paris has long accused Dublin of "*fiscal dumping*", or unfairly attracting investment, by keeping it so low.

Mr Cowen's comments came amid growing expectations that the 5.7% interest rate on bailout loans of €67.5 billion could be cut.

FDI BY ANOTHER NAME

Mr. Batt O'Keeffe, Enterprise Minister said "*that commitment is protected in an EU context by the principle of unanimity in taxation matters. And it is further enhanced by the insertion of a legal guarantee in the Lisbon Treaty.*" He said "*foreign direct investment to Ireland is now back at investment levels not seen since 2005/2006*".

Mr O'Keeffe told the Dáil that "some countries have high nominal rates of corporation tax but much lower effective rates due to the use of various base-narrowing devices. This is not the case in Ireland—our system is relatively simple. Corporation tax receipts in Ireland represent about the average collected by such taxes across the OECD" (*Irish Times*, 24.11.2010).

US INVESTMENT IN IRELAND

The health of the multinational sector is a bright spot in the economy, and is generating jobs and spending in local economies across Ireland. Multinationals account for €19 billion in direct expenditure and €7 billion in payroll costs, as well as contributing 55% of the corporate tax take in the Irish economy.

"Today, approximately 100,000 people are directly employed in over 600 US firms in Ireland accounting for 70% of all IDA supported employment.

"Collectively US companies have a US\$146 billion (approx. ≈105 billion) foreign direct investment (FDI) in Ireland. This represents 8% of all US investment in the EU and 4.6% worldwide. This equates to more than the total invested in the much hyped BRIC economies (Brazil, Russia, India, China).

"The US accounted for 65% of Ireland's inward investment in 2008.

"Analysed at a sector level, Ireland is the No. 2 location worldwide for US FDI in the information sector and fifth worldwide in chemicals.

"Irish companies directly employ an estimated 82,000 within 227 companies at over 2,600 locations, in all 50 States across the USA. The cumulative stock of Irish foreign direct investment (FDI) in the US stood at \$34 billion in 2008.

"In 2009, US firms contributed €3 billion to the Irish Exchequer in taxes (including approximately 35% of total corporate tax take) and contributed €15 billion in expenditure to the Irish economy in terms of payrolls, goods and services employed in their operations." (*Amer. Chamber of Commerce of Ireland* web site).

US certified public accountant and former chairman of Integra International, Donald DeGrazia, said: "If corporate tax was 25 to 30% it would have a big impact on those considering investing in Ireland. However, if it

was increased to 15 or 16% Ireland would still be competitive, and thus attractive... Companies are taxed at more than 40% in the United States, so Ireland's tax rate of 12.5% is a huge attraction for US firms" (IT, 23.10.2010).

"The IDA head [Barry O'Leary] says foreign direct investment was responsible for €110 billion Euros of Ireland's €159 bn. in exports last year" (*Reuters*, 25.11.2010).

Indeed, according to a Government report of September, 2010—"*Trading and Investing in a Smart Economy*", 85% of total exports are from foreign-owned companies.

This is a dismal reflection of our failure to develop indigenous exports. Despite the billions that have gone into education, training, etc.—Is this the best we can do?

During the Euro election in 2009, Pat 'The Cope' Gallagher, M.P., estimated that Ireland received €63 billion in subsidies, etc. from the European Union. The bulk of which went to the farming sector.

Ireland is still a net beneficiary from the EU annual budget.

According 'The Cope' Gallagher:

"we contributed €1.7 billion towards the EU budget and we received €2.16 billion from the EU under the common agricultural policy, the European social fund, research and technology funding and for cross-border development initiatives. This mean that Ireland is a net beneficiary from the EU to the value of €460 million a year. In overall terms, we have received €62 billion since joining the EU and we have contributed €21 billion towards the EU budget over the past 36 years. This means Ireland has secured €41 billion from Europe in net transfers since joining the EEC. It will be a number of years yet before Ireland becomes a net contributor to the EU budget" (*Irish Examiner*, 27.7.2009).

Even the Marshall Plan signed by the first Inter-Party Government in 1948 with the USA to allow aid of £47 million pounds, shades in comparison.

WALES IS WATCHING!

"Ireland has a 'freakishly low' corporation tax rate which confers a 'semi-tax haven status' on the country, former Welsh first minister Rhodri Morgan has complained.

"Because of this, he claimed, Wales could not even get on the shortlist for investment by foreign multinationals over the last decade.

"Mr. Morgan urged Ireland to raise its tax rate for its own needs. 'What, after all, would happen if the whole of Europe went for a 12.5 per cent tax rate? Where would the tax receipts come from to bail out Ireland?' he asked: (*IT*, 27.11.2010).

More than 7,800 workers are employed by 106 British firms in Ireland, making it the largest source of FDI after the United States.

Ireland has the third lowest tax takes on labour—combining social contributions and income tax of about 25% before the income and pension levies were imposed. The EU average is 34% with Belgium highest at 42%.

Ireland's consumption taxes including VAT rate is the ninth highest in the EU at 22.9%

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A Tale of Two Countries

It would be difficult to come across a more accurate or succinct account of Ireland's economic plight than the following article written by a Reuters reporter last November, 2010.

"Country A is drowning. A catastrophic recession has thrown a tenth of its workforce out of jobs in just two years. Firms are shutting, banks are barely solvent and the IMF has been called in to bail out the government from crushing debt. The standard of living is eroding, taxes are being hiked, state spending is being slashed, and the deeply unpopular government is being forced into an election it is certain to lose.

"Country B has a huge and growing trade surplus. It is attracting a flood of international investment from global firms, building thriving hi-tech export industries. Exports grew this year by 6% and now amount to more than \$50,000 per person. Taxes are low and staying low, and the English-speaking population is highly skilled.

"Both countries are Ireland. And therein lies a tale, or rather two tales: of a domestic economy that is in tatters, side by side with a global export economy in the rudest of health.

"In some respects, the success of Ireland's export economy obscures just how thoroughly ruined its domestic economy has been by the bursting of its property bubble in 2008.

"Whole industries have completely vanished in a matter of months. Since government revenue depends mainly on domestic economic activity, the sudden fall in output has blown apart what were once exemplary public finances.

"Foreign firms are not frightened off by the chaos in the domestic economy, which does not really affect them since they don't rely on Ireland's domestic demand for customers or on its financial system for funding.

"Ireland has such a strong track record of companies operating here and they are not caught up in the domestic financial system" (Reuters, Peter Graff, 25.11.2010).

THE FDI CRUTCH

Last October 2010, former senior ESRI economist, John Bradley, managed to hold his listeners' attention as he warned the Annual Conference of the Irish Associ-

ation, in Newry, that the Republic's low Corporation Tax regime is living on borrowed time.

"Sounding a provocative note, Mr. Bradley added that the shelving of the 12.5% rate would be no bad thing. As he put it: 'It is time that we threw away this crutch'..." (Irish Examiner, 26.10.2010).

"He warned his audience that a low company tax rate would not be a panacea for their problems.

"We would be best advised to plan for a future without the current low tax rate."

Ireland can cope without 'this wasting asset' which, he argues, has allowed the Government to duck a lot of other competitiveness issues.

"We are rediscovering the virtues of the indigenous sector."

"Perhaps, the removal of the low rate is inevitable, even desirable, but to subject our economy to its withdrawal within five years would well be a gamble not worth taking, assuming that the Government is left with any alternative by our increasingly impatient partners in Europe" (*ibid*).

"Mr. Bradley, these days, is a senior advisor to governments in Eastern Europe. He is in a good position to assess these emerging economies. In his view, what is holding them back is the legacy of com-

munism and the bureaucracy inherited from the Austro-Hungarian empire" (*ibid*).

LISBON TREATY

"Although Ireland may try to resist the outside calls to raise its corporation tax rate for as long as possible, we wouldn't be surprised to see the rate pushed up to around 17.5% at some stage over the next four years as part of the fiscal consolidation plan", Bloxham said.

At this stage Ireland has the lowest CPT (Corporate Profit Tax) in the European Union except for Bulgaria and Cyprus, which apply a 10% rate of tax on business profits.

From an Irish perspective any moves to force a change in the tax rate for business would be seen by the Government as a breach of the promises given at the time of the Lisbon Treaty.

At that critical time for Europe Ireland was given a commitment that, if it voted Yes to Lisbon, it would be allowed to retain its highly competitive CPT rate at 12.5%, despite the moves to create a harmonised rate across the EU in the interest of fair competition for overseas investment.

BRITISH THREAT

Fears are being expressed in industry that possible alterations to the British tax code could lure foreign direct investment to the UK rather than Ireland.

Britain has proposed changes to the taxation of income from intellectual property and foreign profits.

Pressure is also growing in the North to reduce Corporation Taxes to the rates in the Republic which could draw investment north of the Border.

GLAXO SMITHKLINE

"Glaxo SmithKline (GSK) has confirmed a €50 million investment for Britain. It comes in the wake of the disclosure that the British Government is to lower its corporation tax rate for industries involved in research and development and related manufacturing" (*Eve. Echo*, Cork, 1.12.2010).

GSK has a long established plant in Ringaskiddy, Cork. There have been significant cuts in jobs in recent years. A further 100 workers are now being laid off. The company says it has no plans for further redundancies or a shutdown.

The Industrial Development Agency was set up to encourage foreign investment.

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