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Fianna Fail:

## Down The Plughole?

What does Micheal Martin's Fianna Fail think Northern Ireland is?

A reasonably democratic Irish state set up in 1921, in which the Nationalist or Catholic minority refused to play a part, and in which they eventually resorted to mass murder, for no good reason, out of evil-mindedness?

That is the implication of the Fianna Fail leader's attack on Sinn Fein at the Arbour Hill commemoration on April 20th, which was reported by the Belfast Irish News as part of the British election campaign.

Mr. Martin continued the attack on Radio Eireann the following morning, raking up incidents in the Northern War from forty years ago as being relevant to current political affairs. When Gerry Adams put those incidents in the perspective of a war that had been brought to a reasonably satisfactory conclusion many years ago, Mr. Martin declared that in Northern Ireland "*There was no war*".

If it wasn't a war, what was it?

A campaign of mass murder and GBH, presumably. A campaign of sectarian murder which had no cause except the evil, bigoted disposition of the murderers. Is that now the official view of Fianna Fail? If not, why is nothing done to bring the Leader to order in the matter? He has said it repeatedly over the past few years.

It will be the 90th anniversary of the foundation of Fianna Fail next year. It was founded as a party which rejected the 'Treaty' dictated by Britain, both as regarded the Imperial 26 County relationship with Britain and the arrangement imposed on the 6 Counties by Britain. In the 1930s it remedied the Dublin relationship with Whitehall, but in the Constitution which it drew up for the South it denied legitimacy to Northern Ireland, and asserted a right of national sovereignty over it.

It regarded the people under the British system in the Six Counties as being undemocratically governed. In the democratic era people who are undemocratically governed, and who have no Constitutional means of doing anything about it, have the right to act unconstitutionally. That is a principle that has been applied all across the world in recent times.

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## O Brave New World!

Marriage is probably the oldest social institution of the human race. Its purpose has always been to reproduce the human race—to produce children and rear them to adulthood, with they idea that they too will produce children. The *Irish Times*—whose job is to carry British culture to us—says that it was because of "*arbitrary discrimination*" that the marriage institution has not, over the millennia, included pairs of people who in the nature of things cannot produce children—pairs of men, and pairs of women.

It commends the Fianna Fail leader when he says that the referendum is about whether pairs of the same sex (who are by nature incapable of producing children), "*should be offered the same security and respect as those in heterosexual relationships. It is as simple and uncomplicated as that*". And any suggestion that it is not as simple as that is "*crude scaremongering*" (IT *No Threat To The Church*, 13.3.15).

The paper reminds its readers that "*Less than 25 years ago, homosexual acts were criminalised*". In fact homosexual acts were made illegal much longer ago than 25 years. The criminalisation of homo-

*continued on page 4*

## Update

### Banking Inquiry

The Banking Inquiry has come to the end of its first and second phases—the economic Context and Media Module—and is now moving on to the 'Nexus' phase, in which those who participated in the events leading up to and during the crisis will be interviewed. The most interesting part of this phase will undoubtedly be the appearance of Brian Cowen, who has not so far had a chance to put his side of the story. He is, according to media

reports, angry at representations made by Professor Patrick Honohan that on the night of the Guarantee he overruled Brian Lenihan regarding the extent to which bondholders should be protected. Unfortunately the Inquiry Committee, which in its composition has a natural anti-Fianna Fail bias (FF has 2 out of the 9 seats on the Committee), will not call on Cowen until sometime in July when the media 'silly season' will negate the impact of whatever he has to say.

The Guarantee has been widely rep-

resented as 'disastrous' insofar as it led to the weakening of the country's credit rating, necessitating eventually a bailout from the Troika and a degree of humiliation for the state internationally. It is this that Fianna Fail has been universally blamed for and no credit has ever been given for the fact that the Guarantee saved the Irish banking system, and thereby the European banking system, from certain disorderly collapse. There are of course those who believe that the system should have been allowed to collapse, with some on the left

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*Labour Comment*, edited by **Pat Maloney**:

Lenin—A Word on Guilds

Mondragon, Part 41

(back page)

In 1969 the oppressed nationalist community in the North acted against their oppression. They were encouraged and assisted by the Fianna Fail Government—and we know from our own direct experience that they were also encouraged and assisted by Fine Gael and the Labour Party.

But all three parties lost their nerve, under British pressure, in 1970. The British Ambassador, acting through Fine Gael, put Fianna Fail on the spot. Jack Lynch dropped his 1969 policy, denied that he ever had it, and he instigated criminal prosecutions against some of those who had been implementing it for him. He brought a criminal prosecution against John Kelly, his liaison with the Northern Defence Committees, and against Captain James Kelly, an Army Intelligence officer who had been carrying out his orders under a chain of command beginning with the Taoiseach.

Abandoned by Dublin, the Northern minority, precipitated into action by the events of August 1969, continued to act

on its own. Did it have the right to do so, or was it subject to the Dublin claim of sovereignty? Dublin decided not to uphold that claim against Britain, which was entirely responsible for the government of the North, but did it think that the Northern minority, which it had abandoned, were still subject to its claim of sovereignty and could not act legitimately without express Dublin authority? That is how it often seemed during the 24 years of the War.

We have no inside knowledge about the upper echelons of Fianna Fail. We do not know how widespread the view of the Leader is, that the Northern resistance was a sectarian murder campaign, but we assume that it has a substantial degree of support in higher circles. If it hasn't, then the Leader is the personal dictator of a party which has no life in it.

Jack Lynch, when abandoning the Northern minority, did not propose a deletion of the sovereignty clauses of the Constitution. They were left in place until the Northern War had run its course, and

the momentum generated by the War had been transferred to politics. The Sovereignty claim was not deleted until 1998, when it was done with the approval of the Provisional IRA—Michael Martin's sectarian murderers!

All Dublin Governments, from 1970s until 1998, left the Sovereignty claim in being and—with a couple of interludes—denounced those who were waging war in the North. They would make noises about 'a political settlement'—with murderers!—but they amounted to nothing.

There was only one moment when a settlement appropriate to a murder campaign seemed a remote possibility. That was in the mid-1970s under Roy Mason (who has just died). Mason went all-out for a "security" end to the War. Fine Gael Minister for Foreign Affairs Peter Barry responded with a rousing speech denouncing the "nightmare" to which the Northern Catholic community was being subjected. It was in context a call to arms, a call for greater support for the men behind the wire.

Since 1970 there have been interludes of Republican leadership in Fianna Fail: a substantial one under Charles Haughey and another under Albert Reynolds.

Haughey was charged along with the two Kellys and Neil Blaney in 1970. The prosecution of Blaney was abandoned at an early stage, presumably because he let it be known that he would defend himself by giving evidence about decisions taken by Lynch's Cabinet to arm the Northern Committees. Haughey conducted a minimal legal defence, relying on Lynch's inability to produce any actual evidence against him, and on the effectiveness of the defence made by Captain Kelly which showed that he acted on the authority of his superior, Colonel Hefferon, who declined to give perjured evidence.

As Taoiseach, Haughey was active in the early moves of what became the Peace Process in the North, and he was chiefly responsible for bringing about structural development and the economic boom in the South. In Micheal Martin's Fianna Fail he is unmentionable.

There are rumours of a Fianna Fail *rapprochement* with Fine Gael after the next election. And why not? With its Leader denying the facts of life about the North, and its intellectual, Martin Mansergh, taking the 'Treaty' to be the legitimate foundation of the 26 County State, the ground of difference between the two has been cleared away. A merger between the two would put Sinn Féin clearly in the position of Official Opposi-

tion, and give the State a meaningful party system again.

The *Irish News* headline on the Arbour Hill Speech is "*Sinn Fein Trying To Falsify History Of Rising Says F.F.*", but all that can be gathered from the report of the speech is the notion that the Provos justify their sectarian murder campaign by reference to 1916. We observed the formation of the Provos in 1969-70 from close to, and we saw the military campaign get going. We opposed it, and advocated a very different course of action. Therefore we can say with certainty that it was not the history of 1916, true or false, that was the inspiration behind the War declared in the North in 1970: and that it was a war on Britain and not a local "*sectarian*" war, as Martin says. Britain did its best to reduce it to a local sectarian war, but failed.

The cause of the War—or the condition without which it could not have arisen—was the sectarian mode of Government which Britain chose to apply to the Six County region of its state. (But Micheal Martin has nothing to say about that.)

The Provos fought the War to a points victory Britain made a basic change in the mode of government which it had no intention of making while it thought it could win the War.

Some die-hard Republicans saw the 1998 Agreement as treason. They went into *de facto* alliance with the Imperialists and recorded secret evidence against the Provo leadership to be used after their death—and some of them were expecting to die very soon. Their purpose can only have been to de-stabilise the Agreement. Micheal Martin became a voluble supporter of those die-hards and fantasists against the Provo leadership. Is that what makes him think that he holds the moral high ground of Republicanism against Sinn Fein?

Editorial

## Libyan Refugees

Emotional appeals are being made to European countries to take in Libyan refugees, with the finger being pointed at countries who do not take in sufficient numbers. (Figures showing the numbers taken in by various European countries in 2014 can be seen at <http://www.cafebabel.co.uk/society/article/map-of-the-week-refugees-in-europe.html>. Despite all the hullabaloo Britain is way down the list.)

The plain fact remains that the present refugee problem was created by the destruction of the Libyan State, where

## To whom is real honour due!

The *Irish Times* concludes its editorial on the Gallipoli commemorations as follows:

"But there is little point, or satisfaction, for nationalists now to continue to play a game of historical, retrospective "I told you so" about those, our grandfathers, great uncles, and cousins, who paid the price, many with extraordinary courage, for succumbing to Redmond's terrible delusion. Now we should give "due honour"..." (25 April 2015).

It was good to see the paper describe Redmond accurately for a change. He did indeed suffer from a "*terrible delusion*". That must also describe those who followed him. And it must also apply to the events that followed from that condition. However the Editor castigates those who say 'I told you so' but there were at least 10,000 Irish Volunteers who opposed his delusion at the time and acted accordingly in organising the 1916 Insurrection. They cannot be accused of being wise after the event as the *Irish Times* now is. Is it not time therefore that we had a corresponding editorial giving due honour to those who recognised the delusion at the time and acknowledge how they prevented even more killings on its behalf? Or will we have to wait for another century before the paper catches up fully with historical realities?

Jack Lane

**The *Irish Times* and other papers have suggested that Gallipoli and other events in the Great War were subjected to amnesia in nationalist Ireland. The following letter was submitted but not published.**

## Gallipoli: Myth Of Amnesia Refuted

I don't remember Gallipoli, a battle of 1915, for I wasn't born until 1941. But I do remember that it was a battle in which the record of Irishmen was remembered with respect by nationalists and republicans. For example "A Classbook of Irish History, Book IV" by James Carty MA, first published in 1931 and used for some decades afterwards in Irish Schools, had the following-

"One tribute may be quoted to the bravery of Irish soldiers during the most terrible war in history. It is from General Gourand, who commanded French troops at Gallipoli, which was held by the Turks and Germans -

*"In Turkey, even the younger generation has heard the story; for fathers who fought have not hesitated to tell their children of the marvellous heroism of these strange foes from over the seas and to hold them up as examples to all who would be true to the traditions of a fighting*

*race.*

*I myself was an eye-witness of the magnificent heroism of your deathless Dublins. When I met General Von Sanders, who had directed the defence of Gallipoli, he told me that he marvelled that men should have carried themselves as your men did on that day. 'If ever you meet with Irishmen,' he said, 'I wish you would tell them from me that I have never seen anything so fine as the bearing of those men. They did something that was deemed impossible, and they proved that there are no limits to what human valour will attempt against the most fiendish devices of modern war.'*"

I could name other sources that give the lie to the story that the role of Irishmen in the Great War has been airbrushed from history.

They vary from a Brendan Behan column in the **IRISH PRESS** and an article in Sinn Fein's **UNITED IRISHMAN**, both from the 1950s, to the Republican ballad **THE FOGGY DEW** and its reference to the "lonely waves by Suvla's waves."

I visited the British Library in London last week and found that my memory had not deceived me. I imagine the Irish National Library in Dublin should further support its accuracy. The late James Carty was Assistant Chief Librarian there.

Last year, in the Thomas MacDonagh Memorial Library in Cloughjordan, I saw displayed the medals, including a Victoria Cross, won by Sergeant James Somers at Gallipoli in 1915 and medals, including a Military medal won by his brother Albert at Arras in 1918, where he was killed. A further brother, John Somers, also served in the British Army and returned to Cloughjordan to run a successful business there amongst nationalist and republican neighbours.

Donal Kennedy

France, Britain and America led the charge on spurious democratic grounds. The result has been to create anarchic conditions within the country.

Moreover, Colonel Gaddafi welcomed immigration from Africa, which has now been stopped—and reversed.

There are therefore large numbers of both Libyan and African refugees on the seas, looking for sanctuary. Surely the countries which were responsible for destabilising the situation should now accept the consequences of their actions and take in the people who now longer can no longer live in safety in the country? The onus is surely on them and not on the countries which did not interfere in the domestic affairs of others.

## O Brave New World!

**continued**

sexual acts between men was our inheritance from the British regime. But what substantial connection is there between decriminalising homosexual acts and extending to homosexuals an institution designed for the production of children? The repeal of the British law criminalising homosexual acts did not make homosexuals capable of producing children. Homosexual acts, no matter how often repeated, will never produce a child.

It might be that the development of our civilisation has reached the point where it requires the abolition of marriage—marriage being the status accorded to couples who undertake the reproduction of the species. That is what is implied by the proposal to establish homosexual marriage, thereby depriving it of its primary social function. But it is not the case that is made by proponents of the change.

The Referendum Commission is supposed to produce impartial summaries of the arguments for and against a Referendum proposal. The Chair of this Commission, Justice Kevin Cross, has discarded impartiality and issued the judgment that passing the Referendum would not change the nature of marriage. That is how his statement was taken up by *Newstalk* in a hostile interview with commentator Breda O'Brien. But Justice Cross, while conveying this idea, seems to have been circumspect in the way he expressed it. He said:

"The only effect is that the entitlement to marriage will be broadened from a man and a woman to include same-sex relationships. It could have no impact on existing marriages..."

How does he know that it wouldn't? The practical meaning of a law only becomes known when cases are brought under it? Justice Cross can only mean that he can imagine no conceivable case brought under the law and affecting an existing marriage in which he would give judgment adverse to an existing marriage.

But the nature of future marriage would clearly be changed by the amendment. Marriage would be dissociated in principle from the reproduction of the species.

Breda O'Brien tried to develop this point, but it was hard going against propagandist interviewing. The art of interviewing so as to bring out the substance of the opinion held by the interviewee, and possibly bringing out its weakness in the course of developing it, appears to have been lost.

Her case, as far as we could gather it through the hectoring, was that, under the existing law of civil contract, homosexual pairs had equal rights with married heterosexual couples, as far as this could be warranted in the light of the fact that they could not have children, and that marriage should be held to the traditional connection with procreation.

This was met with the assertion: "*Equality by any other name is not equal*". That was repeated again and again as if it meant something.

(But what about equality in name where there can be no equality in fact?)

It is being said that a married heterosexual couple are protected by the Constitution, but that a homosexual couple in a civil contract are not. But no instances are given of where a homosexual couple in a civil contract—leaving aside the matter of children, which is not relevant—lack the protection available to married homosexuals.

There is much talk of love by the Yes campaign, but no talk of property. But marriage has to do with property rather than love. Love is capricious, and its capriciousness has been enhanced by legislation facilitating divorce. The idea that love was for life—or at least that the bond that it established in the first flush should be binding for life—was rejected some time ago as a mediaeval shackle devised by men to torment women.

Yes campaigner Niamh Horan, an *a la carte Catholic*, writes:

"Jesus, if you believe he existed at all, was simply a kind man who died on a cross with the intention of teaching love... Many of his words were destroyed about seventy years after his death and what was left ended up in the hands of the

Roman Catholic Church. Alas, as with everything in life... being human we f\*\*\*ed it up. In the hands of men, the original message quickly turned into something that spewed judgment and hate..."

So God is love. And this same man is reported as saying "*What God has joined together let no man put asunder*". Love was binding for life. But we have rejected that stifling principle. What we now mean by love, in the publicly applicable use of the word, is the inclination of the moment. And we find it intolerable that we should be saddled for life with an arrangement made under the influence of what proves to be a passing fancy. It is publicly accepted that love is fickle and that legal arrangements should not be based on the assumption that it is constant.

The argument for divorce was that love is fickle and that its fickleness should be facilitated. But when fancy fades property arrangements that were based on it have to be dealt with. And as far as we know the property laws relating to marriage are also operative with regard to civil contracts.

We have made property rather than love the constant factor, and by doing so we altered the nature of what is meant by love. The social arrangements in which the individual lives influence the character of individual experience. The spirit in which marriage is entered into now is very different from the spirit in which it was entered into a century ago, or half a century, and the consequent experience is therefore different. Individuals are not autonomous units who are what they are regardless of the social arrangements in which they live. They are pieces of a society, and their experience of life is in great part socially determined.

Breda O'Brien tried to discuss the probable ramifications of the Referendum proposal but *Newstalk* told her that wasn't allowed. The proposal consisted of 17 words and nothing that was not said in those words could be discussed. When she tried to talk about rented wombs in Third World women she was shut up.

But the only substantial purpose that can be found for a Constitutional Amendment which abolishes marriage as a social institution for reproducing the species is to enable homosexual couples to get children.

The Government has passed a law placing homosexual couples in civil contract on a par with heterosexual married couples for the purpose of adoption. It passed this law despite obvious doubts about its Constitutionality, though it

refused to pass a law legalising the abortion of clearly unviable fetuses, which are only able to live in the womb, claiming that its constitutionality would be doubtful.

The legality of the homosexual adoption law is certain to be challenged in the Courts. The political purpose of the Referendum is to pre-empt legal challenges to the law allowing homosexual couples in a civil contract to adopt by establishing homosexual marriage as a Constitutional entity.

A recent Constitutional amendment confirmed the rights of the child. Up to the present this has been taken to mean that it has a right to a mother and a father and a family heritage. Proponents of Constitutional change say that this principle is outdated: that two mothers or two fathers is just as good. And they point to existing one-parent or same-sex parent families. But the fact of the matter is that such families are the exception, resulting from unusual circumstances. The present Constitutional amendment would make them the norm.

Furthermore, there is at the moment a campaign to encourage breast feeding. There can be little doubt that the health and social benefits of this for mother and child are very great. Homosexual marriage would lead to children with two mothers or two fathers, and to the impossibility of breast feeding in the latter case.

In the children of homosexual marriages there will be a complete or partial lack of genetic connection between the generations—which will in fact not be generations at all, as the one will not be generated by the other. And in male marriages there will certainly be renting of the wombs of women in the Third World.

The importance of genetic connection seems to go through cycles of fashion—at least in the affluent regions of the world. At present the fashion says that knowledge of biological parentage—parentage in the primary sense—is of the utmost importance for the well-being of the child. Those advocating homosexual parentage say it is of no importance. But the Yes campaign is being conducted on a wave of sentiment raised by a media committed to the Yes campaign and mention of these things is frowned upon. And Mary McAleese, former President and present Catholic canon-lawyer, suggests that mention of them is homophobic.

If children with two mothers or two fathers are not to be considered odd by the children of backward heterosexual families, a totalitarian restructuring of public

culture will be required. The mother/father stereotype—ridiculed by Fintan O'Toole—will have to be displaced as the ideological norm, even if it remains the predominant fact. The spontaneous development of children in biological families must be over-ridden from the earliest age. Life must be problematised for them from the start. And it must be conceded that the LGBT—the Bolshevik zealots of our era—are prepared to undertake that revolution.

Meanwhile life will go on in the old-fashioned way in the greater part of the world—a world which suffers from finance capitalism, instead of benefitting from it. And the exploitative relationship with the Third World into which we entered a generation ago will be extended from old-fashioned economics to a new reproduction industry required by the institution of homosexual marriage—and will be justified morally by the refusal of the Third World to keep pace with us in sexual fashion.

To quote Niamh Horan: *We're fucking it up!*

## Report

### "American Chuck Feeney the key backer for gay marriage in Ireland"

James O'Shea @irishcentral April

"Irish American philanthropist and billionaire Chuck Feeney is the key funder of the marriage equality drive in Ireland which will come to a head with a referendum on the right to marry for same sex couples on May 22.

...Feeney's Atlantic Philanthropies have committed \$475,000 to Marriage Equality Ltd the main group dealing specifically with the issue.... In addition to funding Marriage Equality, Atlantic has funded the main LGBT lobbying group, the Gay and Lesbian Equality Network (GLEN), to the tune of \$2.5 million over the past few years.

Atlantic and Feeney identified equality in marriage as one of the key human rights issue they wished to focus on. Their funding helped pass the civil partnership act of 2010. On its website and in a video Atlantic cites other major advances including:

- Secured public referendum on civil marriage, which is scheduled for 2015
- Government creation of a Gender Recognition Advisory Group, the role of which is to make recommendations on how to proceed toward legal frameworks for gender recognition for transgender

people

- Secured numerous significant changes in public policy and services to better reflect the needs of LGBT people in areas such as mental healthcare provision and bullying in the education system
- Increased capacities of the LGBT sector..."

(P.O'C.)

<http://www.irishcentral.com/news/politics/American-Chuck-Feeney-the-key-backer-for-gay-marriage-in-Ireland.html>

## Banking Inquiry

## Update

continued

thinking that this would produce suitably revolutionary conditions for the overthrow of capitalism, and others on the right believing that healthy capitalism requires the periodic purging of malinvestment through bankruptcy. No government in the modern world could afford to take such a position however. Supermarkets have approximately three days of food in stock at any given time and banks, even if they are able to stay open during a crash, carry limited amounts of cash. A collapse in the credit system, within which all but the most minor transactions are processed, would lead to complete social and economic collapse in very short order, and it was undoubtedly into this abyss that Brian Cowen and his colleagues were looking on 29th September 2008.

Having established that some kind of guarantee of the system was required, then the question arises as to its extent. Some, such as Patrick Honohan, have sought to fix blame on the then Government, and on Brian Cowen personally it seems, for not issuing a more limited guarantee which excluded subordinated or junior debtholders and other existing debt. Honohan himself has admitted that this would not have made much difference to the overall final cost however. He also made a point regarding it, which to some degree refutes his own thesis: the risk premium (the amount paid over and above the normal 'risk-free' rate) paid on the last two Anglo Irish Bank subordinated debt issues in 2005 and 2006, was 0.3% in one case and 0.25% in the other. The bondholders were therefore **not** being compensated excessively for taking on the extra risk associated with such debt and on the night of the Guarantee an argument was made that the debt was regarded as risk-free.

A factor which is conveniently overlooked when 'burning the bondholders' is raised as an issue, is the extent to which

Ireland as a highly internationalised economy must preserve its credibility in financial matters. This is particularly true due to the presence, and evident success, of the Financial Services Centre in Dublin (a Fianna Fail inspired institution) on which a considerable amount of well-paid employment and a good deal of Government revenue depends. It is hard to see how this institution could have survived, and in fact thrived, during and after the crisis if confidence in the country had been eroded due to a failure to guarantee repayment of the banking sector's debts to the foreign institutions which actually use it.

The Context phase of the Inquiry naturally spent a great deal of time on the 'how did it ever get to this' question. There were some curious contributions on this point. One from Finnish Professor, Peter Nyberg, author of one of the Government-commissioned reports on the causes of the crisis, suggested that Irish people were 'obsessed with property'. This statement was striking, as it appeared to downplay the equal if not greater property obsessions to be found in the US, Britain and elsewhere during the same time period, which reached no less maniacal proportions, and resulted in the collapse and subsequent rescue of their banking systems as well. There is of course a very high rate of home ownership in Ireland, much more so than in most Northern European countries, but an interesting feature of this is that, according to CSO reports, a large number of such households have no mortgage debt and a reasonable surmise might be that many homes, particularly in rural areas are inherited debt free. If this is the case, then high rates of home ownership are not so much the result of an 'obsession' with property, but a simple fact of life in what is still a highly rural society by European standards.

The Fianna Fail Governments of the Celtic Tiger era famously failed to foresee that the boom would result in a crash and failed also to adapt the public finances to reflect membership of the Eurozone, which brought with it lower borrowing costs. For David McWilliams, who gave his evidence to the Committee on 26th February, membership of the Eurozone is the problem and Ireland should never have joined it, as its trade is primarily with the Anglo-Saxon bloc. He kept up a steady stream of dire prophecies all through the boom period, all of which were ignored. What he, as an economist, fails to understand is that the Euro is not an economic project. It has always been first and foremost a political project, designed to deepen and strengthen the Union and

gradually harmonise its functioning. It is precisely because of this that Britain does not want to be part of it, and also why Ireland does. Ireland's decisive orientation towards Europe and away from England can be dated to Easter Monday 1916 when its 'gallant allies in Europe' gained mention in the Declaration of Independence. It has not wavered in this orientation since then, despite the best efforts of that other Troika, the *Irish Times*, the British Embassy and Trinity College, and periodically reasserts it by means of referendum. (The failure of some of the referenda to pass first time does not reflect a British-style euro-

scepticism, but a concern that the direction in which Britain is forcing Europe via over-expansion and a weakening of its social core is wrong.) Given that Ireland's membership of the Eurozone is a political and not an economic necessity, Fianna Fail's error lay not in joining it, but in applying Anglo-Saxon neoliberal policies that were, in the absence of control over interest rates, fundamentally incompatible with it. McWilliams' warnings were ignored because the premise on which they were based, that the Euro was wrong for Ireland, was politically irrelevant.

**Sean Owens**

## Coolacrease

Stephen Howe published an essay, *Killing in Cork and the Historians* in the *History Workshop Journal* (Issue 77, Spring 2014, pp. 160-186, published by Oxford University Press), under the following headlines:

**"Killing in Cork and the Historians"**  
*Project MUSE article by Professor Stephen Howe, Bristol University*  
*History Workshop Journal, Issue 77, Spring 2014, pp. 160-186 (Article)*  
*Published by Oxford University Press"*

The entry continues:

"This 26-page MUSE article is a survey of the public dispute about the ethnic cleansing aspects of the Irish War of Independence, in the context of the 1969-94 conflict."

What caught my eye was the following:

"Another related controversy, ignited by an October 2007 Irish television documentary, raged over the killing by the IRA, on 30 June 1921, of two young brothers at Coolacrease, County Offaly. Richard and Abraham Pearson had opposed the local IRA, and supposedly shot and injured one of its members. Should their deaths be seen as a justifiable military execution, or sheer murder—and how much did their Protestantism, or envious Republican neighbours' desire to grab their land, have to do with it? The RTE programme narrated this as a clear instance of sectarian violence, partly following the line of argument pioneered by Hart, partly local historian Alan Stanley's account of the affair. Numerous critiques and sharp exchanges followed, with the defenders of the 1920s IRA's reputation arguing not only that the Pearsons had attacked an IRA road-blocking party (which seems undoubtedly to have been true), but that they were informers for the local state authorities

(which, as in so many of the Cork cases, is speculation), and that they were linked to secret Loyalist paramilitary forces (for whose existence in the area there seems to be no evidence). They also argued—apparently rightly—that although the Pearsons' land was indeed redistributed in 1923, no IRA member directly benefited. This clearly weakens, though does not destroy, arguments that rivalries over land were a factor in the affair."

I sent the following note to Professor Howe:

"I saw a reference to the Coolacrease affair (1921, Co. Offaly) in your 2014 Project Muse report.

What struck me about the reference was the repetition of the "spies and informers" line.

As the contemporary official accounts (both Irish and British) of the incident state, the Pearsons were executed for conducting a successful (if "unofficial") armed attack on Irish military forces in the course of their duty in defence of the elected Irish government.

Being "spies and informers" was not the issue. The Pearsons' crime was much more serious, and their responsibility for this crime has not been seriously contested.

One reason why this point is still interesting to me is because, when I became aware of the media publicity at the time, and having looked into the affair, it seemed to me that the whole furor was based on the sleight of hand which substituted "spies and informers" for "successful armed attack".

I did my best to put the acknowledged facts—chiefly the contemporary official accounts, both Irish and British, which confirm the facts—into the public domain. I was then invited to be interviewed for a television documentary about the affair. The interview lasted two hours, consisting of the director attempting to get me to say the Pearsons were spies and informers; mainly in the form of the question: "What is your evidence that they were spies and informers?"

Of the many spies and informers on both sides who were summarily killed for their trouble at the time, I doubt if very much court-room quality evidence could now be produced by anyone.

In conjunction with media manipulation of human sympathy ("The children! O God, will nobody think of the children!") the whole controversy was engineered on this single piece of logical trickery.

My response to this trick question was that the surviving evidence shows that the executions were for the armed attack, not spying and informing. Despite a herculean two-hour effort, the director could not trick me into uttering a single broadcastable phrase about spying and informing. The interview was not used in the documentary.

Since no mileage could be obtained from the affair, the Coolacree controversy has effectively lapsed into oblivion here. The methods used backfired so badly that "we must never speak of this again".

It's interesting to see the trickery rehashed in British academic history."

In response Howe accepted that *"the main and immediate cause of the killings was the brothers' prior attack on an IRA group"*. He said *"I find that you have several times referred to the fact that some local Republicans believed them to be {spies and informers}; and you do in one place describe them as 'collaborators' with the Black and Tans."*

The Coolacree (Co. Offaly) controversy arose out of Alan Stanley's book *"I met murder on the way"* which, in essentials, gives the following account.

In 1921 the IRA ordered Alan's father William out of Luggacurran (in adjoining Co. Laois) because of his involvement in paramilitary activity in collusion with British forces. (This is not the way Alan Stanley put it in his book—he described the local loyalist gunmen as wayward youths and their British military mentors as Cadets.) Following his expulsion William stayed with his Pearson relatives in Coolacree outside Cadamstown. But that was not the end of loyalist paramilitarism in support of the British occupation forces. A successful paramilitary operation put the Cadamstown IRA unit out of action. William Stanley escaped when the Pearsons were subsequently arrested by the Irish forces.

Official investigations, both Irish and British, reported that the executed Pearsons were guilty.

By engaging in successful paramilitary action against the forces of the elected government the Pearsons, like William Stanley, collaborated successfully with

the British forces who were also trying to overthrow the elected Irish government. Earlier, Churchill had proposed to Lloyd George's cabinet that, instead of sending in Black and Tans, the campaign against the elected Irish Government and its defence forces should be handed over to the Ulster Volunteer Force. About fifty years later a similar policy towards the Provisional Republican movement was proposed and partially implemented by Merlyn Rees, the British Secretary of State for Northern Ireland.

In addition to their successful paramilitary activity in collaboration with the British occupation forces, can I prove that the Pearsons were spies and informers? Could they have functioned as successful paramilitaries and collaborators if they had neglected the most basic function of intelligence?

Here is a comparable question: During that hot month of June 1921, can I prove that there was an occasional shower of rain?

I wouldn't wager the store on any reckless claim that June 1921 was the greatest ever month for hay-making. But even though I haven't got the meteorological reports to hand I'd venture to say that June 1921 was pretty much like any other June, more or less.

In addition to their proven paramilitarism, could I also prove that the Pearsons were also guilty of a little bit of spying and informing on the side? That was the trap set by RTÉ, and Professor Howe's article is full of such trickery.

Howe's article is a rearguard defence of the discredited Peter Hart. I never took much interest in the issues that Hart wrote about, and got involved in the Coolacree controversy only by accident and without enthusiasm—quite the reverse. But one result was that I read Hart's *"IRA & its Enemies"*.

Hart used statistics to give spurious scientific validation to the kind of trickery that RTÉ relied on. Numbers have a notorious capacity to mesmerise the unwary. It's astonishing that Hart was never called out on his dodgy half-baked mathematics. Quite the reverse, he is adulated as a pioneer for this by his followers, despite his overall failure to make his case.

Howe's article has the feel of the polemic used in the 2007-8 dispute, but in watered down (not to say boring) form, with less force and conviction.

Along with other misdirection, displacement and irrelevancy, Howe adverts

to the Aubane Historical Society/BICO:

"Although particular incidents such as these have attracted close investigation, the fierce partisanship of many of those involved has meant that sometimes heat is generated more than light is shed. Accusations of political bias, blind nationalist—or anti-nationalist—piety, or hidden agendas have abounded. The fact that prominent exponents of the 'pro-Republican' or 'anti-revisionist' side in the controversies over Peter Hart, Gerard Murphy, Coolacree and more are associated with the Aubane Historical Society, a successor to the former British and Irish Communist Organisation—though reversing the latter's erstwhile anti-nationalism and espousal of a 'two nations theory'—has drawn much comment."

Hardly any of the dozens of people involved on my side of the 2007-8 dispute would have recognised a Bico if one came up behind him and bit him in the backside. So perhaps Howe is referring to me?

When I was interviewed for the RTÉ Coolacree documentary, I immediately declared for the record my political involvement in the "two nations" agitation. This bit of the interview is online at

[http://www.indymedia.ie/attachments/nov2007/audio\\_1\\_muldowney\\_sammon\\_kinnity\\_castle\\_28aug07.mp3](http://www.indymedia.ie/attachments/nov2007/audio_1_muldowney_sammon_kinnity_castle_28aug07.mp3)

with transcript at

<http://www.indymedia.ie/article/85285>

I made the original tape recording freely available in the archives in Tullamore Public Library, along with all my other documentation of the affair.

I was recruited into the *"two nations"* campaign by Paul Bew, then a student, now a Lord and a Professor. It seemed quite clear that, unlike the southern Protestants who made their living by servicing or being serviced by the Catholic majority, the Ulster Protestants were, in the main, a 'stand-alone' community which had historically made its own way and could function with or without the Catholics who lived around and among them.

Bew proposed to me that, in order to influence the campaign, we should both join the British and Irish Communist Organisation which was producing the historical analysis on which the two nations agitation was based and which was acquiring grassroots respect and prestige in inverse proportion to official outrage, hostility and notoriety, both academic and political.

Whether or not the BICO actually existed as a membership organisation—a point about which I knew little and cared

less—I was not inclined to spend time helping Bew or anybody else to raise their personal profile, for whatever purpose.

By not helping Bew to take over the BICO and change it into a force for good, did my surly peasant disposition alter the course of Irish history for the worse?

He gave me a large box of Theoretical Practice (Vol. 1, No. 1, twenty five copies of pure Althusser, all still in pristine condition to this day), and promptly disappeared. In hindsight I think I was the 'masses' to his 'cadre'. Or maybe his Father Dougal. Mad, Ted!

I don't know what Bew did subsequently. The campaign itself soon ran out of steam. As did I—now a cadre-less peasant mass. The weakness of the campaign was not in its basic two nations doctrine which was and is sound. Its weakness lay in fact that the discord between the two nations is not primarily generated by one side or the other. The main source of discord is the sovereign power in Northern Ireland; and this is the fundamental problem, not the sociological fact of two nations.

This reality was again manifested by the then Secretary of State for NI, Merlyn Rees, who proposed and implemented a policy of "*Ulsterisation*". The aim of the policy was to set the two nations or communities in NI at each others' throats directly, in order to reduce the international focus on the sovereign power, and in order to keep the rest of Ireland in line and 'on message' by conveying the impression that the conflict was caused primarily by fanatical local extremists against whom all reasonable people in Ireland and Britain must unite and make common cause.

This approach has been at the centre of Britain's Irish policy throughout the twentieth century. The truth is that the arrangements deliberately and knowingly put in place by the regime to advance its own purposes had a quite predictable effect on perfectly normal people in Northern Ireland. The conflict, in all its phases, was/is a predictable outcome of British policy.

The regime line is parroted in grandiose theoretical jargon by its academic acolytes such as Professor Howe. In his book "*Ireland and Empire*" he lists a variety of academic perspectives including the following: "*{The Ulster Unionists}, not British imperialism, created both partition and the subsequent sectarian policies of the Northern Ireland state*" {page 8}, and observes that "*{this} captures most of the complex truth*" {page 9}.

Fortunately Merlyn Rees's "*Ulsterisation*" was, to a greater or lesser extent, rejected by each of the two national communities in the Six Counties, and in some respects Britain failed in this particularly bloodthirsty stratagem for evading its responsibility for the conflict and increasing its leverage on the rest of Ireland. That episode alone is enough to give the lie to regime propaganda.

In the course of the next ten years or so I observed the BICO exploring the historic role of the British state in producing and maintaining this dysfunctional system in the six partitioned counties. The outcome of these investigations was a campaign to regularise or normalise the way political power is acquired and exercised in the Six Counties, so as to neutralise the toxic machinations of the regime.

Even without taking account of the cynical and brutal manifestations of the Merlyn Rees kind, this seemed to me to be a worthwhile project in its own right, and I actively supported and engaged with it. Why shouldn't the people living in the Six Counties have a say in the election of the Government which exercised sovereign power over them, and why shouldn't their elected representatives actually participate in the exercise of sovereign power? That's democracy, isn't it?

All issues of sovereign power in the United Kingdom of Great Britain and Northern Ireland are decided by the parties which contest elections to form the sovereign Government of the United Kingdom of Great Britain and Northern Ireland, for so long as any form of that United Kingdom continues to exist. Residents of Northern Ireland were and are absolutely excluded from this process.

The campaign to get the British party political system to operate in the Six Counties ran for ten years or so. While they acknowledged the point of the campaign, Republicans dismissed it on the grounds that Britain would never permit democracy to operate in the Six Counties. The majority of Catholics, who were not at that time irrevocably and finally committed to the Republican approach, were well disposed to it as a reasonable way out of the particularly vicious and destructive trap in which they were stuck.

The campaign gave sharp and succinct expression to the essential features of British State power in the Six Counties. The Protestant majority of the population, who almost universally identified themselves as British, engaged in an intensive debate among themselves about their position, prospects and future. For

instance, during the mid to late 1980s the course of this debate can be observed in their main daily newspaper, the *Newsletter*.

It is possible but not certain that, if they had decided for it, the Protestants could have forced the British state to enable sovereign political power to be exercised democratically in the Six Counties. But they did not decide for it.

Anyway, in hindsight it is more likely that the British State would have its own way regardless of any Protestant decision. In 1920 Home Rule was imposed on the partitioned Six Counties against the will of the Protestants who a few years earlier had raised an armed rebellion to oppose Home Rule. But the particularly undemocratic form of the 1920 arrangement gave the British State powerful political leverage against the independence movement in Ireland as a whole. The arrangement has been modified but its purpose has not changed.

By the early 1990's it was abundantly clear from the responses and reaction of the sovereign party political system that the Republicans had called the British intention correctly, and our campaign was wound up. Since that time the Provisional Republican movement has, under British sovereignty, dominated the course of political affairs in Northern Ireland. It has done this in a form of agreement or settlement of the conflict with the sovereign power, an agreement to which the southern Irish state is also a party. The Provisionals exert increasing influence in the southern Irish state.

On the British side the settlement is very much a 'provisional' one, so to speak. It continues to leverage its sovereign power in the six counties, untrammelled by mere democracy, in order to exercise "*soft power*" in Ireland as a whole.

Of course the game is still on. So it is not surprising that British academics such as Professor Howe, along with their British-influenced academic equivalents in Ireland, service and facilitate the official line, propagating a representation of twentieth century Irish Republicanism consistent with British policies like those of Merlyn Rees.

In his book *Ireland and Empire*, Howe asks: "*... might terms like 'ethnic cleansing' be at all apt {in describing the Irish War of Independence}?*" A reviewer says that Howe "*refers with apparent irony to the 'ethnic cleansing' of Palestinians and cites an Irish analogy with West Cork*" See: <http://www.historyireland.com/book-reviews/ireland-and-empire-colonial-legacies-in-irish->

Elsewhere in this review:

"Stephen Howe calls his Ireland and the Empire 'a discourse about discourses'. It is actually a cut-and-paste polemic against nationalist historiography, post-colonial discourses, interdisciplinary literary criticism, Field Day, and Edward Said. Howe doesn't like the comparisons the Irish make between themselves and others. Managerial rather than discursive, the book strings together obiter dicta, ceremonial academic gestures, and opinions in a wordy concatenation of paragraphs and pages that do not themselves amount to a discourse. While Howe certainly deploys and arranges knowledge in the interests of power (and how!), he does not produce any himself. Instead, he works over the usual suspects under the dim bulb of a sort of 'Enlightenment' Inquisition."

This is about as clear and understandable as the stuff Howe himself writes. What does it actually mean? As far as I can make out it says that, in the service of Power, Howe writes out lists of things produced by other tedious, pretentious academics. Having actually read through all of Howe's MUSE article, I can only agree.

That said, Howe can be forgiven a great deal for the sheer bliss of his quote from Pope John-Paul McCarthy in the *Sindo*, a gem so perfect as to be beyond parody:

"Gerard Murphy's classic book {on IRA extermination of Protestants in Cork county and city} should be read by any Corkman who is still tempted to interpret our revolutionary era as a knightly joust between Cockneys and Gaels blessed by the good fairies of the 1918 general election."

Pat Muldowney

# Shorts

from  
*the Long Fellow*

## BREXIT

As the British General Election approaches there have been numerous articles in the Irish media on the alleged disastrous consequences for Ireland of a British exit from the EU. There have even been calls for Ireland to act as a "bridge" between Britain and the rest of the EU.

The first point to be made is that Britain will act in her interests regardless of what the Irish think. This country should learn to do likewise. The idea of acting as a "bridge" between Britain and the rest of the EU is demeaning for a sovereign country (people walk on bridges).

The second point is that it is by no means clear that a Brexit would be against Irish economic interests. There is no doubt that the current semi-detached status of the UK is inimical to Irish interests.

Dan O'Brien in an article (*Irish Independent*, 3.4.15) raises the spectre of tariffs introduced by Britain, but then admits that Britain's exports to Ireland are greater than the combined total of her exports to China, India and Brazil. So, if Britain were to introduce tariffs, Ireland could (?) have the option of doing likewise if Britain were outside the EU.

At present Britain has the best of all possible worlds she has the benefits of membership without the responsibilities. She can allow her currency to depreciate (a tariff by another name) while Ireland cannot respond because of its membership of the Euro.

Bizarrely, O'Brien then suggests that,

if Britain left, the EU the power of Germany would increase, which for some vague reason would not be in the interests of Ireland. Has the brightest boy in the *Independent* group been infected by the traditional anti-German Redmondism of his employers?!

In defence of O'Brien, it is clear that his heart is not in it. He concludes his article by conceding that, in the event of a Brexit, "some companies servicing the European market from the UK would probably move their operations here", but then hastily adds "the cons {of Brexit – LF} far outweigh the pros".

## THE IRISH TIMES ON BREXIT

*The Irish Times* has been conducting a campaign urging the Irish State to plead Britain's case in Europe. Britain's newspaper in Ireland is perfectly entitled to do this. However, it further undermined its credibility (is that possible?) by presenting opinion as fact on this matter. A front page article (15.4.15) reproduced many of the same arguments of Dan O'Brien, but unlike the *Irish Independent*, this was presented as news rather than an opinion piece.

The report slavishly quotes a think tank called *Open Europe* without giving any details of the said institution, other than it was a "leading London think tank", which in *Irish Times* terms counts as gospel. For the record *Open Europe* is a private, unaccountable Eurosceptic, free market orientated think tank financed by British business people.

The gist of the article is that Brexit would have damaging consequences for Ireland but apparently no damaging consequences for the UK. The scenarios range from bad to worse. If there is a free trade agreement between the UK and the Eurozone (practically the *status quo*), the effect on Ireland would be a reduction in Irish GDP of 1.1% by 2030(!). The worse case scenario is a reduction of 3% by 2030(!) if there is no free trade agreement.

Unlike Dan O'Brien's article, there is no mention of the UK's dependence on Irish exports. Towards the end of the 'report' there is an acknowledgement that:

"Ireland could gain if foreign multi-nationals chose it if the UK was unable to secure the access to EU markets that it currently enjoys".

But the 'report' winds up with the following piece of British wishful thinking:

"If on the other hand, the UK significantly deregulates and liberalises to become an even more open economy... it could be an even more attractive location for investment".

## Report

**Desmond Boal, an independent Unionist who was a founding member of the DUP in 1971, died on 22nd April. The post below was made by Liam O'Rourke on Irish Republican Education Forum April 25th**

## Desmond Boal And Conor Cruise O'Brien

"In 1976, Boal was involved in clandestine talks in a number of locations, including Paris, as loyalists and republicans explored whether any common ground could be found after the publication of Sinn Fein's Eire Nua plan for a federal Ireland.

Boal was chosen to represent the unionist and loyalist viewpoint, while Sean MacBride put the nationalist and republican case.

Boal suggested the establishment of a federal Irish parliament that would assume the powers formerly reserved at Westminster with a provincial parliament based on the present Northern Ireland and holding the powers previously exercised at Stormont.

But the talks came to nothing after Irish government minister Conor Cruise O'Brien condemned them on radio, blowing the cover of the loyalist participants who had insisted on confidentiality."

The correct response is for the Irish State to act in its own interests. It should begin a campaign among its EU partners allowing it to raise tariffs against British imports in the event of a Brexit. We'll see if that softens the cough of the British Government!

#### WEALTH TAXES

The topic of wealth taxes was taken off the agenda following a devastating intervention by tax barrister Suzanne Kelly a few years ago. Sinn Féin is now placing more emphasis on raising the top rate of income tax. The difficulty with a wealth tax is that it is unclear how much it will raise. The always informative Dan O'Brien tells us that privately held wealth is almost 3 times national income (*Sunday Independent*, 11.1.15) or about 500 billion euro. However, it is unclear what proportion of this wealth is held by people with a net wealth greater than 1 million euro (the liability threshold under Sinn Féin policy). It is also unclear how much of this is mobile or can flee the country following the introduction of the tax.

It might surprise people that in 2012, before the property taxes were in full swing, Ireland's level of wealth taxes amounted to about 2% of its tax revenues, which is about the OECD average. By international standards our taxes on capital and inheritances are quite onerous. The OECD country with the highest wealth tax as a proportion of tax revenue is the UK with about 4%. The main reason is its high level of property taxes (the most effective form of wealth tax). France follows the UK closely but the makeup of its wealth taxes is different, with a greater proportion consisting of inheritance and capital taxes. Germany and Sweden have quite a low percentage of their tax revenue consisting of wealth taxes (less than 1%). The reason is the low level of homeownership.

#### INTERNATIONAL TAX RATES

The Irish Tax Institute has produced some interesting international comparisons of tax rates in a sample of eight countries: Germany, the Netherlands, Sweden, Spain, Switzerland, the United States, the UK and Ireland. The figures confirm the progressive nature of the Irish Tax system.

For employees with a salary of 18,000 euro, Ireland comes out with the lowest rate at 3.92%, compared to the highest which is Germany at an effective rate of 27.03%.

As income increases Ireland begins to climb the league table. So, at an income of 36,000 euro the effective rate is 20.5% which puts us at a higher rate than Switzerland and the United States but still well below the league leader Germany at 36.43%.

At a salary of 75,000 euro we've climbed

to fourth in the table with a rate of 36.51%, which puts us ahead of Spain, the UK, Switzerland and the United States, but still behind Germany at 43.81%.

At a salary of 150,000 we've moved up to third in the league table with an effective rate of 44.26% just ahead of Germany (44.06%). Only two countries are ahead of us Sweden (47.75%) and the Netherlands (47.21%).

All such international comparisons should be treated with caution as it is impossible to compare like with like. The Institute says:

"The figures take account of income tax and social security payments for taxpayers..."

This would appear to mean the figures include income tax rates and employees PRSI (but not employers PRSI?).

As has been mentioned before in this column, now that the Property Tax has been bedded down (thanks to the Troika), our tax system is not significantly out of line with other continental European countries. However, our social insurance contributions are lower than most of our peers. If these are to increase there will have to be a closer relationship between the contributions made and the benefits received. At present our Pay Related Social Insurance (PRSI) system is a misnomer. It gives a basic safety net, which is marginally above the non contributory State pension and non contributory Social welfare rate; it is not really an "insurance" system in the sense that the benefits are not related to the premiums paid.

#### GARDA SUCCESS

The reputation of the Garda Síochána has suffered some heavy blows in recent years, but in the early months of this year its image was partially restored. The conviction of Elaine O'Hara's murderer was secured by some highly skilled and diligent police work as well as some luck.

The failure of Ian Bailey's action against Garda conduct in the Sophie Toscan du Plantier case was another boost for the force. Lawyers for Bailey portrayed the case as a battle between David and Goliath. But in this instance 'David' had access to telephone conversations by Gardaí, who were unaware that they were being recorded.

At the eleventh hour many of Bailey's actions were ruled out of order because of the Statute of limitations. If these had been ruled on at the beginning of the trial rather than the end, the trial would have been foreshortened. However, the State felt that the Gardaí involved were entitled to defend their reputations in a court of law even if the jury was not asked to decide on some of these issues.

Some outrageous allegations were made

about Garda behaviour, which have been promoted by an uncritical media. But when those allegations were subject to forensic questioning in a court of law, it became clear that they rested on some very flimsy foundations.

This is not to say that the Gardaí are above reproach in this case. Unlike in the O'Hara case, no conviction has been secured after almost twenty years.

#### Report of letter which appeared in Evening Echo 19.3.15

### "We Are Neutral"

*The Evening Echo* (24.2.2015) carried an interesting report about a proposal by Kinsale-based James Sikora to erect a monument in honour of all those Irish soldiers who have fought for foreign countries.

Should we pay public tribute to mercenaries? Should we actually encourage our children to do this? Mr. Sikora says he would "absolutely support it" for his own son, and he also recommends this attitude to every other Irish parent.

Mr Sikora's family background is partly American, and he says that he fought as an American soldier in Yugoslavia and in the first Iraq War. He does not mention torture, depleted uranium, or the indiscriminate slaughter of men, women and children in wedding parties. He admits war crimes, but does not speak of the punishment that should be administered to the perpetrators.

These days there are Irish people whose family backgrounds are from many countries including Eastern Europe, Africa, and the Middle East, where wars are currently in progress.

Should young Irishmen of Syrian background follow Mr. Sikora's advice and join one of the many armies currently at war there? Which of the Syrian armies should they join? The official army of the state of Syria, led by President Assad? The Free Syrian Army? The forces of Al-Qaeda or Islamic State? Perhaps Mr. Sikora could enlighten us.

States do not generally encourage their citizens to join the armies of other states. American nationals who serve as officers—even non-commissioned officers—in foreign armies are deprived of American nationality in punishment.

Mr. Sikora says that Ireland is not actually a neutral country, but that we are "only neutral in name". I think he will find that Irish neutrality is strongly supported here.

But neutrality is not the issue. After many hundreds of years when our people had no state of their own to which they could give their undivided allegiance, we are now an independent state whose defence is the responsibility of our own citizens.

There is no valid justification for any Irish citizen to make a living by killing for a foreign country.

**Pat Maloney**, Editor  
*Labour Comment*

In April 1972 The Workers' Association For The Democratic Settlement Of The National Conflict In Ireland, held a demonstration in Dublin. Part of that demonstration involved a mixed group chaining themselves to the railings of the Department of Foreign Affairs. The demonstration was to highlight the Workers' Association demand for the repeal of Articles 2 & 3 of the Irish Constitution. The idea was that a new and amicable relationship should be negotiated with Unionists, which took account of their status as an Irish nation. The nine people involved were arrested and held in Mountjoy Jail overnight, before appearing in Dublin Magistrates Court. Below is the *Irish Times* report of 12th April 1972.

## Direct Action By The Workers' Association: Vignette from 1972

### *"Iveagh House Chain Group Convicted"*

Nine young men, seven of them from Northern Ireland, who chained themselves in the main hall of Iveagh House, the Department of Foreign Affairs in St. Stephen's Green, Dublin, on April 4th, were fined £10 each and bound to the peace for 12 months by District Justice Good in the Dublin District Court yesterday.

One defendant said they had carried out the demonstration to get publicity for their association, as they knew that newspapermen tended to be fascinated by chains.

A garda said that the defendants said they were members of the Workers Association for the Democratic Settlement of the National Conflict in Ireland, with headquarters at 26 The Mount, Albertbridge Road, Belfast.

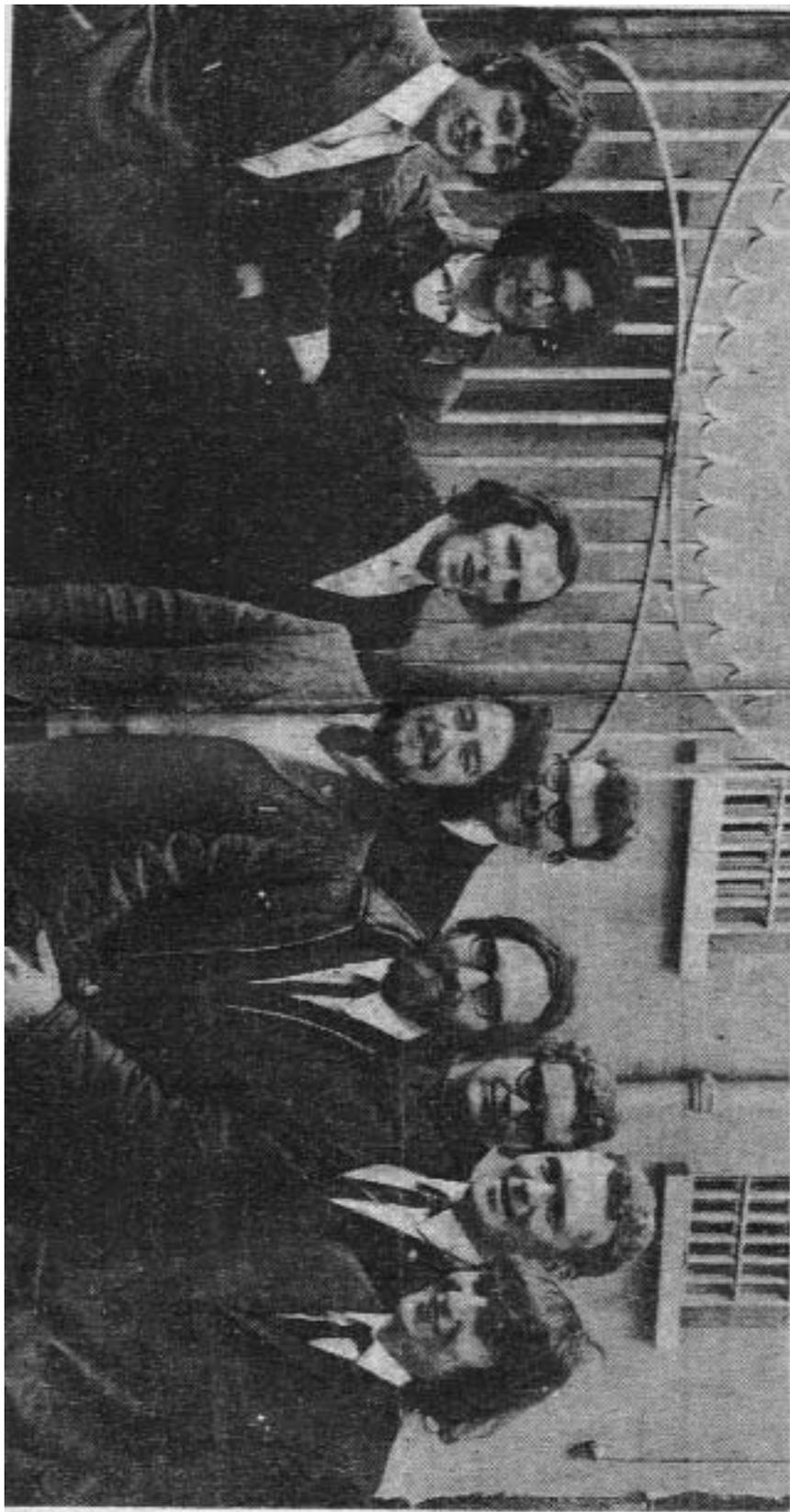
The nine men were charged with forcible occupation of land—the Department of Foreign Affairs—contrary to Section 3 of the Prohibition of Forcible Entry and Occupation Act, 1971.

A charge against them of forcible entry under Section 2 was dismissed.

The defendants were Michael Devaney (27), Albert Street, Belfast; John Bowman (24), Sydenham Drive, Belfast; Thomas Dwyer (31), Beechmount Street, Belfast; Eamon O'Kane (26), The Mount, Albertbridge Road, Belfast; David McRoberts (25), Tennant Street, Belfast; David Morrison (30), Dunlambert Park, Belfast; George Wilson (26), Merville Garden Village, Newtownabbey, Co. Antrim; John Kearns (22), North Circular Road, Dublin, and Colm O'Shea (19), Sunday's Well, Cork.

John Gerald Molloy, Assistant Secretary to the Department of Foreign Affairs, said that when he asked the chained men to leave they could not because they did

Eamon O'Kane, Colm O'Shea, George Wilson, John Kearns, Tommy Dwyer, David Morrison, David McRoberts, Micky Dwyer, John Bowman. Pictured from the left:



not have the keys to the locks on their chains. The men showed no hostility.

Inspector Thomas Brennan said Eamon O'Kane told him the association had been formed to have Article 3 of the Constitution changed.

### **SYMBOLIC ACT**

O'Kane, in evidence, said that up to the time the inspector told them that they were in breach of the law, they were not aware of it.

Chaining themselves was a symbolic way of airing their grievance. They

intended to leave the building as soon as the Press left. "Newspapermen tended to be fascinated by chains", he said.

District Justice Good said he felt that the defendants had not been aware of the provisions of the new Act. If they had been aware of them, they would not have embarked "on this extraordinary escapade".

### **SOME COMMENT**

Most of those involved in the demonstration went on to be active in the

Campaign for Labour Representation, which had for its aim incorporation into governing politics.

To our knowledge three of the nine men on this photo are deceased. David McRoberts committed suicide some years later, due to depression. Mickey Dwyer (wrongly listed in the report as Michael

Devaney) and Eamon O'Kane were both victims of cancer many years later - but not before both of them had made considerable contributions to society. Mickey became active in his local GAA, while Eamon became President of his Union, the National Association of Schoolmasters and Women Teachers.

Book Review: *Donnacha Ó Beacháin*, 'Destiny of the Soldiers—Fianna Fáil, Irish Republicanism and the IRA, 1926-1973' (2015)

## The Soldiers Of Destiny

This book on the history of Fianna Fail begins with the heading '*Partition*' and at a rather odd point for such a history—the moment of Royal Assent for the *Government of Ireland Act* on 23rd December 1920. That is not the beginning of Fianna Fail as a formal party, which occurred in 1926. Nor does it correspond with how they saw themselves, which was in effect that they were the substantial continuation of those who made the Easter Rising and who were formed as a party to re-establish the Republic that was destroyed by the Articles of Agreement—misnamed as a 'Treaty'.

Initially I could not see the logic of this starting point—it just seemed weird. But it became clear, though unstated in the course of the book. The rationale for this starting point is that the *Government of Ireland Act* and Partition were the outcome of the War. Consequently, the 'Treaty' is therefore of secondary importance. This is implied but never said explicitly. But Fianna Fail without the 'Treaty' is Hamlet without the prince. If it has a moment of conception it was the rejection of this so-called 'Treaty' that in turn gave birth to the party in 1926. That was the defining moment and issue. This is where the soul entered the bodies of both Fianna Fail and Fine Gael and souls are everlasting as we all know.

The author treats Partition as inseparable from national Independence. Fianna Fail and de Valera are then judged on this assumption and the substance of what Fianna Fail was all about is lost. As Partition lasted, the implication is that Fianna Fail is a failed entity and was formed and has survived by dubious means for dubious reasons.

There are very detailed descriptions of how de Valera and Fianna Fail dealt with IRA in the 30s and 40s and the constant point being made is that Fianna Fail was

simply doing what the Free State had done in the 20s. The implication is that this is what Fianna Fail was all about as a Party. The change in the substance and context of the state brought about by Fianna Fail is not acknowledged. It therefore remains unexplained and something of a mystery as to why Fianna Fail and de Valera got the support they did for half a century.

The author is trying to explain Fianna Fail without fully explaining the many issues that made Fianna Fail what it was: the duplicity, deceit and humiliation involved in the so-called 'Treaty'; the State terror that became the essence of Free Street power; the dismantling of the 'Treaty' and the self-respect which that re-established; the success of the Economic War; the regaining of the Ports; the success of Protectionism; its social policy achievements; its international stance in the 30s; the creation of the Constitution; its successful managing of Neutrality, etc. These achievements and many others are treated as side issues in this book—they can hardly be ignored—but they are treated as something of a footnote to the history of the party. They are off stage. Without fully acknowledging these achievements, the party's amazing electoral success is some sort of mystery at best or perhaps a massive con job on an unsuspecting, uncritical electorate.

To emphasise the Partition issue, there are detailed accounts of how the party consistently rejected involvement by Northern politicians in the affairs of the Dail and how they never organised in Northern Ireland. Again great detail is given on this particular issue but the author acknowledges no rationale for this by Fianna Fail except as another example of its dubious nature.

The Party adopted this policy after much soul searching. Fianna Fail included leading figures from the War of Inde-

pendence in the North, such as Aiken and MacEntee. They knew the substance of the problem in N. Ireland, intimately, and understand that the Northern minority had been treated and how it had suffered as a result of Collins's and Duffy's playacting at war in the North. They did not want a repeat of that, for the sake of the minority itself, as that was all the South by itself could ever do.

If there was an internal revolt from within the North that was a different matter and they said so. But that did not happen in their political lifetime. There was an internal consistency in this approach.

One useful feature of the book is the detailed description of Lynch's carry-on following the 1969 events. The transcripts of his phone calls to Heath and his dealings with Ambassador Peck continue to make embarrassing and excruciating reading for anyone with an ounce of respect for the position of the Taoiseach of the state. It was simply a shameful episode.

But the author treats the episode as a continuation of the Party's previous policy, rather than its exact opposite—which it was.

Lynch helped stir things up by promising not to stand idly by, oversaw military preparations that seemed to confirm this approach and then turned tail under British pressure: thereby maximising the dilemma for Northern nationalists by leaving them in the lurch. Inconsistency would be a polite way of describing this behaviour.

But this time the behaviour of the Southern Government did not result in the horror that resulted from Collins's escapade, because the Nationalists proved capable of looking after themselves. And, on the basis of their success, they have extended their political influence across the North and into the South—and the main political victim of the rise of Sinn Fein in the South will probably turn out to be Fianna Fail under the leadership of a Lynch political clone. There is poetic justice in this. It's almost biblical in proportions, the wheels of justice grinding slowly but grinding exceedingly fine.....

This book will not help Fianna Fail realise what has happened to it because it is completely misguided about the situation in the North, past and present, and fails to acknowledge the realistic approach that de Valera and his colleagues had established towards it.

**Jack Lane**

## Last Words Unsaid

Easter is for children. All eggs, bunnies and chocolate. There is a new dawn and a new beginning. Everything is fresh. Hopes dashed but we rise again. It may be raining, but you know the sun will break through. This Easter it was the usual. By Saturday, it was all smiles again. At the Garden of Remembrance, in Parnell Square, people had begun to gather. The hive had started to swarm. There was a perceptible hum. Life went on. Traffic still flowed. A pause, maybe, but no stop.

The Gardens were beautifully tended. The tulips were in full bloom. The primroses were as fresh as the morning dew. People looked happy and nature was smiling back. The Children of Lir sculpture presided. People seemed to belong. It was theirs. Quietly, they fitted in. Many had seen their days go by, but the young were about too. No one boasted. Nothing was unseemly. Everything appeared to fit in. A fulfilment was occurring. There were no strutters, nor were voices raised. This was the gathering of the 1916 Relatives Committee.

The moment was being captured. While Government Agencies dithered, the Relatives Committee stepped in. They would honour those who begun it all. Raise your flags. Let the bugles sound. Let the world know. Fame had rested a hand upon some. They had filled a breach. Now a quietness hovered, but there was no braggadocio. Deeds had been required. They had been done. The conqueror had been conquered.

Cut-glass actors' voices rang out, piercing the air in perfect enunciation. They were citing the words of poets and writers. *"On the strand of Howth breaks a sounding wave; a lone sea-gull screams above the bay"*.

Pearse's words echo:

"...beware of the risen people, who shall take what ye would not give. Did ye think to conquer the people, or that law is stronger than life and than man's desire to be free? We will try it out with you, ye that have harried and held, ye that have bullied and bribed, tyrants, hypocrites, liars!"

After years of denigration emerges the greatest of them all.

A lone piper stood apart. Sergeant Joe Meade, 7th Battalion, did wonders with the big-pipes as he solo-played. Sad, musical, rousing, impassioned; every

emotion was invoked. People sang along. Their spirits rose in the whirling spiral of notes. On he went, standing apart in splendid raiment, immaculately; each note on cue as deft fingers ran along the chanter. Then it came. *Amhrán na Bhfian*. The people responded. Their words rose in unison. Respect, perhaps, was the overriding emotion. Not the élan that one comes to expect from Celtic Park. It was not the moment for élan. Neither did it have the unfortunate hesitancy of a Lansdowne Road crowd, nor the embarrassing *Ireland's Cal*.

The people did not need to be told. This was a memorable rendering of their Anthem. Similar to its rendition in that Friday night of the Rising. Voices, swollen with a quiet pride, rising upwards, being wafted into the ether; being borne by the musicality of the pipes and the tunefulness of the people.

On Easter Monday, O'Connell Street was choc-a-bloc. Visitors mingled with natives. Again music filled the air. Accordions played tangos. People danced. Feet moved rhythmically. Staccato steps abruptly followed and flowed. People promenaded in period costumes. Hats were tipping and topping others. Skirts swirled. Moustaches twirled. Trams and buses bore the advertisements of yester-years. It was back to 1916. Less colour. More style. Charabancs made their way to Fairyhouse. The GPO was as busy as ever. A lone figure stood at the main door; the handsome figure of a young man, dressed in a Volunteer officer's uniform. Green clothed and Same Browne belted. To his right stood a smaller figure, moustached and similarly attired. The Volunteer Officer unrolled a script and began to read aloud *The Proclamation*.

"Irishmen and Irishwomen: In the name of God..."

People stood about. Many were bemused. Most were unheeding. 'The moment' was *en passant*. It was noon. Inside, the volunteers were settling in. They were establishing firing positions on the rooftops and at windows. British Lancers would soon charge up Sackville Street, horses clattering on the street surface; sliding, slipping and being felled by the opening rebel rifle salvo; horses and

riders being sprawled before rolling to a stop. The city would never be the same again. Nor the country. It was an irreversible moment.

Now it is ninety-nine years on. The people have been addressed by the Provisional Government of the Irish Republic. They have been given respect. They give their respect.

*"Irishmen and Irishwomen."*

*"The Irish Republic... claims the allegiance of every Irishman and Irishwoman."*

*"We place the cause of the Irish Republic under the protection of the Most High God."*

*"In this supreme hour the Irish nation must— prove itself worthy of the august destiny to which it is called."*

In his cell in Kilmainham Goal, Pearse awaits his execution. Like the others, he had been subjected to a cursory Court-Martial and sentenced to death at the hands of a British Army (Sherwood Foresters) Firing Squad. Patiently he is hoping to have a last words with his beloved mother. But it was not to be.

On the night of Tuesday, 2nd of May, there was sniping throughout the city. It would continue for the week. The Pearse family waited at home in Rathfarnham. The British authorities remained in contact. When possible, they would arrange for a last visit from Mrs. Pearse. The journey from Rathfarnham to Kilmainham would be fraught. Sniping had continued. But I believe cruelty persisted, never far removed from the British system. They could have used a Pig (Improvised Armoured Personnel Carriers, APCs), which had been employed by them in the city. But no. It was not to be. He would die alone, without a consoling word from a family member. Last words unsaid.

Pearse had put his affairs in order. Dressed in his Volunteer's uniform, they brought him from his cell into the Stone-breakers' Yard. It was now Wednesday, 3rd of May. The time is 03.30 hours. Dawn is breaking. They pin the aiming mark above his heart. He is blindfolded and placed standing. The twelve members of the Firing Squad each picks up a rifle. Eleven rifles are loaded with ball ammunition. One is loaded with blank. Six firers stand in the front rank. Six firers stand in the rear rank. They follow orders. They aim. They fire. Pearse slumps to the ground, dead. As in life, he remained *primus inter pares*. The folly was both an

end and a beginning. He was gone to meet his Maker.

Somewhere, in the night, Mrs. Pearse, and her daughter Margaret, knew that he was dead. They knew that there would be forgiveness in his heart. Forgive them for they know not what they do. Pearse's wish would have been a successful Rising of the one, with one signatory and one execution. He'd hoped his execution would be the first and last.

P.H. Pearse  
Thomas MacDonagh  
Thomas Clarke  
Edward Daly  
William Pearse  
Roger Casement (London)

Michael O'Hanrahan  
Joseph Plunkett  
John McBride  
Eamonn Ceannt  
Sean Heuston

Con Colbert  
Michael Mallin  
Thomas Kent (Cork)  
Sean MacDermott  
James Connolly

Comdt. General Patrick Pearse had surrendered unconditionally on behalf of the Irish Republic, in order to save lives, given the reckless British counter-attack featuring the shelling of Dublin and the North King Street massacre. His objectives remain. The last Headquarters of the Republic, at 1417 Moore Street, will become a National Monument. A statue of Pearse reading *The Proclamation*, outside the GPO, is still awaited

**John Morgan (Lt.Col. retd.)**

## Part Two

# Casting Cold Yeatsian Eyes On Fianna Fail Leadership

Conor Cruise O'Brien formally became a UK Unionist in 1995, but this metamorphosis was two decades in the making. Some years before that process began, as the Irish Labour Party's spokesman on Northern Ireland, his initial response to the outbreak of the "*Troubles*" seemed to be one of genuine curiosity, although in the retelling of it in his 1999 memoirs, his three decades old *animus* towards Charlie Haughey—the Cruiser's General Election rival in the Dublin North-East Dáil constituency—saw O'Brien advance his own prejudiced "*belief*" to counter the "*Not Guilty*" vindication of Haughey before the Court. O'Brien related:

"Two of the most powerful members of Jack Lynch's then (1969-70) Government—Neil Blaney and C.J. Haughey—were believed (sic) to have been actively involved in the setting up, funding and arming of what became the Provisional IRA. I had lunch on July 2, 1970, with Ruairí Ó Brádaigh, leader of Provisional Sinn Féin, political wing of the Provisional IRA, whose 'military operations' were then being prepared, but had not yet begun." (*Memoir—My Life and Themes*, p 328).

O'Brien went on to quote from his diary entry for that day:

"I have opened the door of my heart,  
Like a man that would make a feast  
For his Son's coming home from afar:  
Lovely Thy coming, O Son!"

PS: Thirteen more face the Firing Squads of Kilmainham. Another would follow in Cork. Roger Casement, like an afterthought, was hanged in London. It appeared to be over. The list of the executed 16 was:

"Lunch in National Gallery with Ruairí Ó Brádaigh. An affable Irregular, strongly rather than heavily built. Refuses wine. Pleasant open face. Smiles a lot. Too much? Believed to be the leader of the Provisionals. Angry at assertions his organisation promotes sectarian violence. They are concerned with defence. Their split with the IRA was not the result of Blaney intrigue, but of rank-and-file exasperation with the IRA executives for unpreparedness last summer and for unrealistic policies such as alliance with the Communist Party. Has no use for Blaney. Opposes sectarianism, and specifically deplored Blaneyite efforts to end Orange processions in Donegal. Admits his rank-and-file are not so ecumenical; there is a 'fever' among the people. But his organisation is not trying to foment violence; they are trying to control it, so that when it occurs it will not be wholly useless. Himself volunteers the thought that the distinction between 'controlling' and 'fomenting' is a difficult one. If you don't do some fomenting you won't be in a position to control. In the St Matthew's fighting the defence was improvised by some of the defence committee, and by 'some of our people'... We part outside the Merrion Square entrance of Leinster House. 'Take care' I tell him. 'Oh, I will', says he" (p 329).

O'Brien and Ó Brádaigh had been dis-

cussing the East Belfast battle of St. Matthew's Church, on 27th June 1970, when the Citizens' Defence Committee resistance to the armed Loyalist mob attack on that Catholic Church signalled the first appearance of the Provisional IRA as a fighting force. When O'Brien became Minister of Post and Telegraphs in the 1973 Cosgrave Coalition Government, it was no longer just an *animus* he had towards Haughey. It had become such an obsession that even his own confederates felt the need to pull back, although there were also some SDLP facts of life that they themselves no longer wished to dwell upon: that what had happened in 1969-70 could not be reduced to a Haughey/Provo issue. As O'Brien related it:

"This occurred after the publication of the report of the Public Accounts Committee on misapplication of funds appropriated for the relief of distress in Northern Ireland in 1969, when Jack Lynch's Fianna Fáil Government had been in power. The report showed that some of the funds so appropriated had been applied to the purchase of arms for use in Northern Ireland (which were eventually used by the Provos). I thought we should exploit this report against Fianna Fáil. The Minister for Finance, when the moneys were misappropriated was C.J. Haughey, now once more a rising star in Fianna Fáil. The then {Fine Gael} Minister for Finance, Richie Ryan, smiled thinly and indicated without explanation that he did not propose to do anything about the report. Nobody else around that Cabinet table had anything to say on the subject. I knew the reason: the funds in question had been solicited by members of the SDLP for the defence of 'our people in the North'. Our people in the North—except for certain specialised rhetorical effects—are the Catholics exclusively" (pp 349-50).

When it came to writing his memoirs in 1999, O'Brien's obsession had developed into such a neurosis that he became quite deranged in attributing to Haughey political powers that were—as we shall see from the Michael Yeats' account—non-existent in the year in question. O'Brien wrote of the July 1977 General Election:

"To make sure of its victory, Fianna Fáil in opposition announced the most reckless economic programme ever offered during an Irish election, including the abolition of rates and huge reductions of taxes all round. This audacious programme bore all the marks of the mind of C.J. Haughey, now again the rising star of Fianna Fáil and soon {soon? December 1979?—MO'R} about to succeed Jack Lynch in the leadership. The consequences of Fianna Fáil's promises, and delivery on most of them, were to cripple the country economically for many years" (pp 357-8).

The fact is, however, that the 1977 Fianna Fáil Manifesto, whose abolition of domestic rates would prove disastrous for effective Local Government, owed absolutely nothing to Haughey. That Manifesto had been authored by an inveterate anti-Haugheyite, Martin O'Donoghue, whom Jack Lynch would appoint as his Minister for Economic Planning and Development, and who would later join with Dessie O'Malley in co-founding the neo-liberal Progressive Democrats, a party to be enthusiastically welcomed by O'Brien himself. The irrational passions aroused by the loathing of Charlie Haughey, from both ends of the "*National Question*" spectrum, are indeed quite remarkable. When the "*Arms Crisis*" erupted, and Lynch fired Haughey from the Government, going on to have him arrested and brought before the court, Kevin Boland resigned from the Government, split from Fianna Fáil and went off to found Aontacht Éireann. But the now super-Republican Boland could never forgive Haughey for sticking it out with Fianna Fáil. Boland revelled in providing the former Labour Party TD John Horgan—for the latter's 1997 biography of Lemass—with his (anti-everybody else, but especially anti-Haughey) spin on the 1966 FF leadership contest, the victor, of course, also succeeding Lemass as Taoiseach:

"There were rumours that Lemass was going to resign... There was no way, in my view, that the party would accept George Colley (the Minister for Industry and Commerce) or Haughey (the Minister for Agriculture). I contacted Frank Aiken {the Tánaiste and Minister for External Affairs, and the anti-Treaty IRA Chief-of-Staff who had brought the Civil War to a close in 1923—MOR}... What I didn't know was that he was basically pro-Colley... **Aiken was anti-Haughey—hated him like poison. He was anti-Haughey's father, who had let him down by joining the Free State Army** {fighting against Aiken's IRA in the Civil War; my emphasis—MOR}... Lemass was right in his belief that (Minister for Finance) Jack Lynch was acceptable. He said: '*What kind of people have I got when one man (Lynch) has to get his wife's permission to run and the other (Colley) has to get his wife's permission to withdraw?*' After we got Lynch to agree we still weren't sure he was serious about it" (*Seán Lemass—the Enigmatic Patriot*, pp 335-6).

John Horgan himself had been an *Irish Times* journalist from 1963 to 1976. That paper's issue on this past March 14th was a particularly self-congratulatory one. The Trinity College cultural historian, Professor Terence Brown, has just published a 436-page *magnum opus* with the grandiose

title, *The Irish Times: 150 Years of Influence*. And the *Irish Times* of today still has some scores to settle with the one Protestant Republican who got away with it, Douglas Gageby, the paper's 'Haugheyite' Editor from 1963 to 1974, and again from 1977 to 1986, having had to come to the paper's rescue in the wake of Fergus Pyle's editorship. Apart from a full page excerpt from Brown's book, inclusive of the blurb "*Haughey's emulation of the ascendancy lifestyle was an ebullient statement of who was now in charge*", the issue of March 14th carried a review by John Horgan, with the heading and sub-heading of—

"How this newspaper adapted to the times: Nobody could have written a better history of the *Irish Times*, and the way its content has been shaped by the great upheavals in Irish society, than Terence Browne" (sic).

Under a further sub-heading of "*umbilical cord*", the knife was twisted:

"What also has the ring of uncomfortable accuracy is his {Brown's} criticism of the 'umbilical' bond that united Douglas Gageby and John Healy {the paper's 'Backbencher' political columnist} in defence—and sometimes in admiration—of Charles J. Haughey, and of Gageby's mind-boggling characterisation of Haughey as the contemporary reincarnation of the mythological Ulster hero Cúchulainn. He also expresses more directly his view that Gageby, whose first decade as editor was transformational and nationally influential, exhibited, in his second editorial decade, 'a degree of obtuseness at how his own paper was changing and was itself helping to change Ireland'. Nobody is perfect."

In the March issue of *Irish Political Review* I have already cited the judgement passed on Conor Cruise O'Brien by the veteran Fianna Fáil Executive member and Senator, Michael B. Yeats, in his 1998 memoirs, *Cast a Cold Eye—Memories of a Poet's Son and Politician*. Yeats was hardly much less disdainful of O'Brien's father-in-law, Seán MacEntee. And what of O'Brien's *bête noir*, Charlie Haughey? Yeats's overall judgement was:

"For 30 years Haughey was a dominant figure Irish public life, but during his entire political career he has been involved in controversy. Now in his retirement he has become a tragic and discredited figure, having admitted that while in office as Taoiseach he accepted enormous payments from business sources for his personal use. It is this that will always remain in people's minds when they think of Charles Haughey. Yet he should also go down in history as a brilliantly successful Minister." (p 83).

Yeats was no "*Haugheyite*", and his patriotic "*Protestant ethic*" was offended by Haughey's personal financial arrangements. But his qualifying "*yet*" was all important, as will be detailed later.

In contrast to the case of O'Brien's father-in-law, Yeats did not have any similar reservations about Haughey's father-in-law, Seán Lemass. Quite the contrary. We saw in the March issue how much Yeats had admired de Valera for securing the sovereignty of the Irish State, particularly through the neutrality policy that safeguarded the country from both warfare and fascism during World War Two. But he also wrote of Dev's successor as Fianna Fáil leader:

"Finally, in 1959, Lemass became Taoiseach; many of us felt that he should have reached that position at least ten years earlier." (p 77).

And further:

"Certainly, for me, he was the politician whom I most admired." (p 82).

But Yeats was far from going down that lazy road so beloved of a host of commentators, of contrasting 'bad, reactionary' Dev and 'good, progressive' Lemass. His criticism of Dev was that he had been too democratic a leader; that in seeking Government unanimity, he allowed the reactionary MacEntee to thwart Lemass. In all other respects he presented Dev and Lemass as a complementary partnership working in tandem:

"When Éamon de Valera resigned as Taoiseach in 1959, on his election as President of Ireland, no one was in any doubt that he would be succeeded by Sean Lemass... One (slight, possible alternative, based on seniority) was Seán MacEntee, who was not, I think, looked on as suitable by anyone in the Parliamentary Party but who would in any event have been ruled out by his extreme unpopularity throughout the country... Lemass did not have the charisma of de Valera, nor had he been involved in the great political and constitutional advances of the 1930s. His contribution had been a different one, the bringing about of a transformation of Ireland's economy. To this he brought an endless flow of ideas and a dynamic approach that made him, after de Valera, the most prominent member of successive Fianna Fáil Governments... When de Valera formed the first FF Government in 1932 he gave Lemass the task—which indeed became his life's work—of creating in Ireland a modern economy. It is sometimes forgotten today how

unpromising the industrial climate was at the beginning of the 1930s... As soon, therefore, as he became Minister of Industry and Commerce, Lemass instituted a complete system of protection... As a direct result, some 900 factories or workshops were set up... On a larger scale, a number of State Companies were set up by Lemass... He brought in Unemployment Assistance and Children's Allowances and set up the Labour Court."

"With this record it is not surprising that on the outbreak of the Second World War in 1939, he was given the key post of Minister of Supplies. This post was, as de Valera said, to be the '*central planning department for our economic life*'. Lemass had, in effect, unlimited powers to control imports, exports, prices, rationing, production and many other matters. As an island economy, neutral Ireland was in a difficult position; essential imports were in short supply, sometimes unobtainable. Lemass set up Irish Shipping Ltd, and second-hand ships were bought wherever possible in order to keep the country supplied... It might have been expected that Lemass, as the Minister responsible for the rationing system, would have become very unpopular... But in fact his prestige rose during the 'Emergency' years because of the efficiency and obvious fairness with which the whole system was run. There were frequent and well-advertised prosecutions of those breaking the regulations..." (pp 71-74).

I should declare a personal interest here. The founding joint General Manager of Irish Shipping, Liam Furlong, was my uncle-in-law, being married to Lou, the younger sister of my mother Kay Keohane. Michael Yeats went on to argue that post-War Ireland now needed a fresh approach to economic policy:

"Of all Lemass's years in office, his least effective period was probably the three years between 1951 and 1954. FF had come back to office having done nothing to renew their policies in the light of changing times; and that very conservative Minister for Finance, MacEntee, was the dominant figure in the Cabinet. For the first time Lemass was reduced to a position of relative unimportance in Government... With FF back in office in 1957—this time with an overall majority—Lemass was back in the Department of Industry and Commerce, {Dev shifted MacEntee to Health, where Lemass would leave him until MacEntee finally retired in 1965—MOR} and Dr James Ryan became Minister for Finance. They both held the same general views on economic matters ... The *Programme for Economic Expansion* was launched in 1958. This marked the beginning of a new drive for economic growth, and the end of the policy of protection, which had no relevance to post-War conditions" (pp 76-77).

The one basic criticism that Yeats had of de Valera was that Dev had been as far removed from being a dictator as could possibly be:

"Finally, in 1959, Lemass became Taoiseach... Now that he was at last in charge of affairs, he was able to press ahead with economic development without having to deal any longer with the difficulties and objections raised by other members of the Cabinet. For 21 years he had been a Minister under de Valera, who sought constantly for unanimity, however much this might delay the process of decision-making. Now Lemass could follow his own belief that a rapid decision was better than inaction... There could be no better example of this than the attitude he took at the time of Donogh O'Malley's celebrated announcement in September 1966 that he proposed to introduce a scheme of free secondary education, beginning in September of the following year... **Jack Lynch, as Minister for Finance, protested that he had not even been consulted.** {My emphasis—MOR}... Past experience would suggest that O'Malley would have faced an endless series of objections from Finance. Lemass knew only too well, from his long years as a Minister, the power wielded by the Department of Finance. The practical effect of his support for O'Malley was to by-pass the entire process of scrutiny by Finance... at a time when more than 80 per cent of all children left school at the age of 14... Why did Lemass make such a break with normal Cabinet procedure?... In October 1966, just a few weeks later, Lemass announced his decision to resign from the position of Taoiseach... My personal belief is that he determined, before his resignation, to ensure that the free secondary education scheme went through... So the last act of Lemass as Taoiseach was to empower O'Malley to transform the whole future of the young people of Ireland" (pp 77-79).

But who could follow Lemass's act? Yeats continued:

"The first two candidates to appear were Charles J. Haughey and George Colley... Haughey had been in the Cabinet since 1961, first as an extremely effective Minister for Justice, and then as Minister for Agriculture. Colley had only 18 months Government experience; he was briefly Minister for Education after the 1965 election, and was then transferred to Industry and Commerce. Why then was he considered as a possible Taoiseach? I am not at all sure what the answer is to that question..." (p 81).

Fianna Fáil opted instead for "*a safe pair of hands*", Jack Lynch, "*the reluctant candidate*". Yeats's chapter headings on the first three FF leaders had been successively "*Éamon de Valera*", "*Sean*

*Lemass*" and "*Without a Leader*". He wrote of the new Taoiseach, as well as of his most able Minister:

"Lynch had emerged as leader of FF because he was a few years older than the other candidates, was extremely popular with the general public, and had the longest experience in Government. In the course of his ministerial career he had never excited controversy; it may be that as a former civil servant he had absorbed the civil service creed that the best way to keep out of trouble is to refrain from taking decisions until they become unavoidable... It is hard to remember any initiatives that he took while in office. His great problem in his early years as Taoiseach was that he had in his Cabinet several people who were more able, more ambitious and more energetic than he was. Perhaps the most prominent of these was Haughey... The list of items of beneficial legislation brought in by him during his Ministerial career is a very long one. In the field of legal reform, he did a great deal to modernise the entire legal system... the Succession Act ... the introduction of free legal aid and the effective abolition of the death penalty... In the health field Haughey brought in the first free hospitalisation scheme, and speeded up the provision of new hospitals. He took extensive powers to control the advertising of tobacco products; at a meeting with the tobacco companies he was asked for the words of warning that they were going to have to use on their products. He said '*smokers die younger*', upon which there was a general, rather nervous, laugh: he had to explain that he was serious, it was not a joke. Haughey also brought in a number of schemes for the benefit of Old Pensioners: free travel, free TV licences and free telephone rental" (pp 83-84).

Yeats also portrayed the 1970 "*Arms Crisis*", in the wake of the August 1969 Orange pogroms against Northern Catholics, as one very much of Lynch's own making:

"The origins and details of this whole affair are sunk in obscurity, but a few things are clear. There was a real fear amongst Nationalists in Northern Ireland that in the absence of a neutral police force on which they could rely, their homes, perhaps their lives, were under threat. There was no Provisional IRA in existence, there were no arms with which the Nationalist people could defend themselves. A whole series of deputations from 'Citizens' Defence Committees' came to Dublin, seeking arms from the Irish Government. Included amongst their members were such eminently respectable pillars of society as Gerry Fitt, who has since become a member of the British House of Lords. That much is established fact. It is also a fact that an attempt was made to import arms secretly so that they could be sent north to Belfast... **Over the**

years I have gained a strong impression that those trying to import the arms genuinely thought that in this activity they were carrying out Government policy, or that at the very least Jack Lynch knew about what they were doing. What is certain is that the Taoiseach had lost control of his Government, resulting in a period of almost total confusion. No one, either inside or outside the Government, had any real idea of what to do about the Northern situation. Blaney and perhaps one or two others were calling for the Army to cross the Border in Derry or Armagh... In the meantime, what would have happened to the 100,000 Catholics cut off in Belfast City? But in the face of such lunatic suggestions Jack Lynch himself seemed to have nothing to offer. Even when Lynch was directly informed by Peter Berry (Secretary of the Department of a Justice) of the attempt to import arms, he still did nothing. In the end, he only acted when the leader of Fine Gael, Liam Cosgrave, told him he knew about the affair. Blaney and Haughey were immediately dismissed from the Government, and Lynch sent the papers to the Attorney General so that they could be prosecuted. **The prosecutions failed**" (pp 89-90; my emphases—MOR).

Yeats had somewhat more respect for Lynch's leadership during most of the remainder of the 1970s, but not beyond 1978:

"The result of the 1977 General Election was the most decisive there had ever been (an overall majority of 20)... There were three main reasons for the FF victory. The first was the plain fact that the Cosgrave Coalition was very unpopular... The second—and perhaps the most important—reason was the astonishing popularity of Jack Lynch himself, especially when set against the lack-lustre figure of Liam Cosgrave... **The third factor in the winning of the election was the policy document published at the start of the campaign, and largely drafted by Martin O'Donoghue, a Trinity College Professor who for several years had been economics advisor to Jack Lynch.** {My emphasis—MOR.} The 1977 Manifesto promised a large number of new jobs, grants for first-time house purchasers, the abolition of rates on dwelling houses, and the elimination of road tax on small cars... Nowadays it is fashionable to describe the 1977 Manifesto as an irresponsible gamble, the origin of all our later financial problems. In fact its immediate results were excellent, with a halving of inflation and a rapid increase in employment. The later difficulties resulted from an unwillingness to change economic policies as world conditions changed" (pp 102-3).

It is here that I partly part company with Yeats. I agree with Conor Cruise O'Brien

that the abolition of Rates did long-lasting, incalculable damage to Local Government. But, of course, O'Brien's pathological paranoia about Haughey led him to charge his enemy with that 'crime'. Yeats, in contrast, and in line with the facts, correctly gave the 'credit' for the Manifesto to Lynch's right-hand man, the bitterly anti-Haughey O'Donoghue. In fairness to Yeats, he also identified that Blessed Trinity of Lynch, Colley and O'Donoghue as being responsible for when he himself believed economic policy went wrong:

"In the new Government George Colley remained on as Minister for Finance. Martin O'Donoghue became Minister for Economic Planning and Development on his first day in the Dáil. His new responsibilities cut across the normal functions of the Department of Finance, and it may be that later on this division of responsibilities hindered the taking of necessary decisions. All went well for the first couple of years after the election, but in 1979 there came the second oil crisis which led to huge increases in oil prices everywhere. Economic depression was widespread throughout the Western world. As a small island economy without any oil resources of our own, we were particularly affected. I don't know just where the responsibility lay, but neither of our two Economic Ministers seemed to realise that everything had changed. The policy that was correct in 1977, designed to create boom conditions, should have been abandoned at once in the world depression of 1979. For whatever reason, action was not taken, things were left to drift, and as a result the country was for number of years faced with unnecessarily severe financial problems" (p 106).

By the end of that year Lynch was no longer Taoiseach. But this had not required any "*conspiratorial plot*" on Haughey's part. Yeats described Lynch's demise as self-inflicted:

"The first Direct Elections to the European Parliament took place in 1979... In the General Election two years earlier, FF had got over half the total vote: this now fell to just over a third... This was bad enough, but a few months later in November 1979, there were two by-elections in a Cork; both of them were lost. In Jack Lynch's own constituency of Cork City ... the Fine Gael candidate won easily. There had been a complete collapse of the Fianna Fáil vote. Lynch was so shaken by this that within a few days he announced his intention of resigning the leadership of the Party. There was a brief two-day campaign fought between Colley and Haughey. Almost all Lynch's Ministers backed Colley, who felt certain of victory, and his defeat (by 44 to 38) came about as a result of a back bench revolt against the failures of Government

policy. After the great election victory of 1977 there had been a period of general euphoria; Jack Lynch was the hero, the future seemed bright. But over the next two years everything changed. Problems of all kinds built up, public opinion was turning against FF, and there was no sense that the Government knew what it was doing. Jack Lynch had had his great moment of victory, but after that he seemed to lose interest. Morale amongst the Deputies declined steadily. Lynch had said to me that it did not really matter if we did badly in the European Parliament elections. What he had not understood was the extent to which such a defeat could create a sense of gloom and depression... Certainly Colley, immersed in his Cabinet cocoon, had no idea at all of what back bench Deputies were thinking... **I am perfectly certain that Haughey knew all about this back bench discontent, and that as an ambitious man he was ready to leap in should Lynch slip. But I doubt if he needed to do much to encourage the discontent; all the elements of a back bench revolt were already there. Lynch's decision to resign, however, was entirely his own, and was in no way forced on him by Party pressure**" (pp 107-8; my emphasis—MOR).

Yeats's sense of moral rectitude led him to allude once more to Haughey's personal finances: "*No one of course—no matter what side they voted on in the leadership election—imagined for a moment the financial landmine that 18 years later would destroy the reputation of Charles Haughey.*" But Yeats's honest narrative had already done much to affirm Haughey's political reputation. He was in no doubt why Haughey had defeated Colley, and he went on to describe what I might call the "*Colleyitis*" that would soon infect and undermine FF coherence, spread by Colley himself, and his confederates Dessie O'Malley and Martin O'Donoghue:

"George Colley thought he had been deprived of the leadership by some form of underhand trickery. In fact he lost because he was associated in many Deputies' minds with Government policies that had failed. They felt that he would be another Lynch, but without his charisma: under Colley, they believed, FF would continue to drift aimlessly in a hostile environment... Colley himself laid down certain political conditions, but accepted the office of Tánaiste.... Charles Haughey therefore became leader, and was elected Taoiseach by the Dáil on 11 December 1979, but he never had the support of a united Government. From the start, Colley and his group of supporters worked against him, and as the years went by there was an unprecedented series of organised leaks from Cabinet meetings. These went to the media, and even on occasion straight

to Opposition parties. The solid party unity that had been such a characteristic of Fianna Fáil had been abandoned."

"So far as I myself was concerned, this period was a watershed in my career. Having failed to gain election to the European Parliament in the first Direct Election, I took up a position as Director

on the Secretariat of the EEC Council in Brussels, in April 1980, and remained there for six years. Thus my nearly 40 years in active politics came to an end" (p 108).

Michael Butler Yeats had had enough.

MANUS O'RIORDAN

## Part Two of Series on Keynes's General Theory of Employment, Interest and Money

# Consumption, Investment and Savings

Marx understood that economic laws were not true for all historical epochs. Each period of development had its own economic laws. He never hesitated to pour scorn on the bourgeois economists of his time with their pious fables of a market place of individual producers. Keynes noticed that in the capitalist system there was such a thing as "*capital*" (the clue was in the title!). So economic theories, which were appropriate for a society of individual independent producers, had limited application for a society which had a significant portion of its production devoted to the reproduction and expansion of capital.

Unlike Marx, Keynes was not interested in social relations of production. However, he could not close his eyes to the economic consequences of capital.

The potential for unemployment is greater in advanced capitalist societies because in such societies a higher proportion of output relates to future rather than current consumption. It is the production for future consumption (i.e. capital investment) that causes an unstable element within the system.

By contrast a poorer society that consumes everything that it produces does not have crises caused by overproduction, since the productive forces are only capable of providing for the basic needs of the population. The producers don't have the problem of finding a market for their goods since what is produced satisfies very basic needs. Typically, the producer consumes a large part of what he produces. Only a small proportion of goods produced is traded. Of course, such societies live a very precarious existence. It does not take much (e.g. a natural disaster) to bring them below the level of subsistence.

But Keynes' classic work is not concerned with societies living at a subsistence level. It is an analysis of the problems encountered by economies that do not consume all that they produce; or to be more precise, produce consumption goods and investment goods. It explains why

economies with a large investment component are prone to crises.

In Chapter 3 Keynes puts forward a number of propositions. The first two propositions are:

1)  $Y = f(n)$  or  $Y$  is a function of  $n$ , where  $Y$  is national income and  $n$  is the number of people employed.

2)  $Y = C + S$  where  $S$  equals savings. Also,  $S = I$  where  $I$  equals investment.

There is nothing remarkable or controversial about the first proposition. The more people employed, the greater the amount of aggregate income, assuming that productivity per employee does not decrease.

The second proposition is more interesting. Aggregate income equals consumption plus savings. The idea that consumption plus savings equals income seems sensible on an individual level. If an individual doesn't consume everything he earns, the remainder must be savings. By extension, it is reasonable to assume that, if a country doesn't consume everything it produces, the residual must consist of savings.

It is less obvious that savings always equal investment. The orthodox view was that savings did equal investment, but some economists, including Keynes, began to question this view in the 1930s. However, in his classic work Keynes concluded that the orthodox theory was right in this instance.

Savings, Keynes believed, is not a one-sided, independent activity. Also, it is necessary to look at savings in the aggregate as distinct from the individual's decisions. For example, if someone puts money in a bank, the aggregate level of saving has not changed. The asset of the depositor is the liability of the bank. There is no change in the aggregate volume of savings. The overall economic effect depends on what happens to the savings that have been deposited with the bank. There are three possibilities.

Firstly, if the bank lends to customers who want to consume, the individual who

saves is contributing to someone else's consumption. To look at the matter in the aggregate, there has been no change in the overall level of savings. The abstemious individual who has saved has not contributed to an increase in the overall aggregate savings. All that has happened is that the consumption that he has foregone has been transferred to someone else. While the aggregate level of consumption has not changed, at an individual level there has been a change. The saver now has a claim on the future consumption of the borrower. However, from an overall macro-economic point of view, this fact has little significance unless the consumption of the borrower becomes unsustainable, leading to a credit crisis.

Secondly, there is the case of the bank using the money of the saver to lend to an investor. On an individual level there is no difference in the position of the saver. He has reduced his consumption and as a result he has a claim on the future consumption of the borrower. However, the borrower has not increased his consumption as a result of the savings that he has received. He has made no sacrifice in his own consumption: that sacrifice has been made by the saver. He has not been so imprudent as to use the savings that have been given to him to increase his own consumption. Instead, he has invested it. He is hoping, all going well, that the return from the investment will enable him to pay back the bank (and ultimately the saver) and give him an amount over and above the principal and interest, which will enable him to increase his future consumption.

If we add the individual decisions of the saver and borrower (the bank is only an intermediary), we can see that there is a significant difference between the first case and the second case. In the first case there has been no change in the level of consumption while in the second case the overall level of current consumption has reduced and current consumption has been sacrificed for future consumption.

There are two points that should be made regarding the second case. Firstly, in even the most basic capitalist societies a portion of the total product is devoted to current consumption and the remainder is devoted to investment. The stock of investment is not immutable. It depreciates and therefore has to be replaced. Therefore in order for the level of production to be sustained a portion of current production has to be devoted to investment. Marx called this the simple reproduction of capital. However, since capitalism has a tendency to increase the forces of production, there must be an expansion in investment.

Secondly, as Keynes (and Marx) noted, a greater proportion of production devoted to investment or future production creates instability since we can never be certain about the level or quality of future consumption. What happens if "all does not go well" and the investor is not able to pay back the bank? Other things being equal the greater the proportion of a society's product devoted to investment, the greater the potential for economic crises.

This leads us to the third possibility. The saver, as before, puts money in the bank. But the bank either decides not to lend or it cannot find anyone who is willing to borrow. This might occur if there is no confidence in the future. In this case the saver's decision to reduce consumption has not resulted in an increase in the consumption or investment of borrowers. It could be said that the bank has increased its borrowings. But the bank is nothing more than a financial intermediary. Arguably, this disproves Keynes theory that savings always equal investment. The saving in this case are held in suspense by the bank awaiting someone to borrow. So, it could be said that it is a one-sided transaction.

However, it could also be said that in real terms all that has happened is that the saver has decided to reduce his current consumption in exchange for future consumption. If nobody wants to borrow from the saver through the bank, the volume of investment in the aggregate has still increased! How is this possible?

The reason is that the goods that are not consumed count as investment. They can be consumed at a later date. An increase in the stock of consumer goods is different in kind to investment in plant and machinery, but it is still investment or capital (accountants call the stock of goods working capital). However, while investment in plant and machinery increases the productive forces, an increase in the stock of goods allows for production to decrease. If manufacturers believe that the reduction in consumption is permanent they will not only adjust production to the new level of consumption, but may reduce it further to clear excess stocks. This will have damaging consequences for employment. This phenomenon is sometimes known as the paradox of thrift. The virtue of saving causes the economy to contract.

In Chapter 2 Keynes quotes the orthodox economist Alfred Marshall to the effect that all income is spent on either labour or commodities. Saving is spending on commodities with a future benefit.

Keynes hints at a disagreement on this point, which he only elaborates in later chapters. It would be more accurate to say

that "investment" is spending on commodities with a future benefit. While savings equal investment, there is no direct causal connection between decisions to abstain from present consumption and decisions to provide for future consumption. As we have seen an individual's decision to save can have three consequences: a) consumption is transferred to someone else; b) savings are used to increase the productive forces c) savings enable a contraction of production to adjust to the new lower level of consumption.

#### INDEPENDENT & DEPENDENT VARIABLES

In the early chapters of his work Keynes attempts to break down the components of national income. The key objective is to distinguish the dependent variables from the independent variables or components. A dependent variable is "passive" or determined by another variable. An independent variable determines other variables. As will be appreciated if an independent variable can be identified, a policy maker can attempt to influence this with a view to changing other variables.

Keynes is sometimes called a demand side economist because he believed that unemployment is caused by a problem of demand. We will begin our discussion of the components of national income by concentrating on the demand function:

$$Y = C + I \text{ or}$$

$$Y = C + S$$

In examining the above two equations it follows that a change in Y must also require a change in the other variables. But what is the relationship between each element of the above equations? From our previous discussion it is clear that S or saving is the least important. It is a dependent variable or residual figure. Saving is a consequence of the decision to consume or not to consume. So we are left with the effect that consumption and investment have on national income.

Now let us focus on the supply side of national income (Y). According to Keynes, on the supply side total output or national income consists of the sum of three elements:

- 1) Factors of production
- 2) User cost
- 3) Profits

The costs of factors of production are the costs that the entrepreneur expends exclusive of payments he makes to other entrepreneurs. This appears to mean Labour.

User cost consists of two elements:

- a) the costs he expends to other

- entrepreneurs such as raw materials
- b) the cost of using equipment instead of keeping it idle

Profit is a residual figure.

$$\text{Profit} = \text{Total Output} - (\text{factor cost} + \text{user cost})$$

While total output is equal to total income, the level of income is not predetermined. Unlike economists such as Jean-Baptiste Say and David Ricardo, Keynes did not believe that there was a virtuous circle in which greater supply led to greater demand and which only came to an end at a full employment level.

Keynes' view of national income also differs from that of Marx. The latter's view was that all income or value has its source in labour. A machine which depreciates value in the production process merely transfers value (created by labour) from itself to the commodity in the production process. Profit does not create value; it is merely that proportion of income that is allocated to the owners of capital. Keynes half acknowledges this by admitting that profit is a "residual" figure which doesn't determine national income.

The other element of national income to which Keynes attributes significance is that part of user cost relating to the cost of using machines rather than keeping them idle. The normal accounting term for this cost is depreciation. For some reason Keynes is anxious to distinguish between depreciation as a result of using a machine and depreciation that occurs to a machine that is idle. In this reviewer's opinion the distinction is pedantic. However, Keynes does make a convincing case that the rapid increase in capital investment prior to the Wall Street crash was a factor in causing the Depression of the 1930s in the USA. His argument is that, as a consequence of the enormous amount of capital invested, the managers of business set aside a sinking fund to replace the depreciating assets. As a result of the massive corporate savings there was a downward spiral of demand for capital and labour leading to a massive drop in investment and consumption as well as dramatic rise in unemployment.

Having looked at national income from the demand and supply side Keynes then tries to distinguish between the independent and dependent variables. The relationship between the various variables is not straightforward. However, it would appear from the following propositions that Keynes regards consumption as the most important determinant.

- 1) The volume of investment depends

Gerry Adams's letter the *Irish Times* refuses to print

## "The Irish Times – Anti-Sinn Féin polemics

*The Irish Times* has set out its clear opposition to Sinn Féin in advance of the next general election.

Last week the paper published three editorials in the space of seven days questioning Sinn Féin's political bona fides and fitness for Government.

In addition, Political Editor Stephen Collins (*Sinn Féin casts a dark shadow over Irish democracy, The Irish Times*, 14 March) made a highly-charged direct appeal to the entire political establishment to unite against Sinn Féin.

Fintan O'Toole accused us of putting party interests first; of lying and of being incapable of understanding the concepts of accountability, openness and honesty.

Each of these extraordinary anti-Sinn Féin polemics has been based on erroneous information and spurious claims.

On 7 March, the editorial made the outrageous, unsubstantiated and entirely false claim that a portion of Sinn Féin's income was derived from illegal sources. There was no attempt to back up this slanderous accusation with any evidence.

On 11 March, another editorial claimed, completely erroneously, that Sinn Féin had "plunged the political process" in the North into crisis. The facts contradict this. The crisis was sparked by the DUP resiling from a key part of the Stormont House Agreement providing social protections for citizens. However, this is now history. The effort must be to fully implement the Stormont House Agreement. That is Sinn Féin's focus.

Then, on 14 March, the paper claimed that Sinn Féin had refused to co-operate fully with law enforcement agencies in relation to the serious issue of sexual abuse. Not true. Sinn Féin and I have co-operated fully with An Garda Síochána in relation to these matters.

That the attacks on Sinn Féin will intensify as the election draws closer will be no surprise but, as the so-called 'paper of record', the *Irish Times* should not resort to misreporting, misleading comment or false accusations.

**Gerry Adams TD,**

*An Phoblacht*, 9 April 2015

(<http://www.anphoblacht.com/contents/24901#.VSBnThrK650.mailto>)

on the marginal propensity to consume or the proportion of total income spent on consumption.

- 2) The volume of employment in equilibrium depends on:
  - a) aggregate supply function
  - b) the propensity to consume
  - c) the volume of investment
- 3) For every value of "n" there is a corresponding marginal productivity of labour in the wages goods industry and this determines the real wage.
- 4) The value of "n" cannot exceed the value which would lead the real wage to equal the marginal disutility of labour. This was in line with the orthodox theory at the time but the next point trumps this proposition.
- 5) The volume of employment is NOT determined by the marginal disutility of Labour. The determinants of employment are indicated in 2) above.
- 6) The volume of employment determines the real wage, not the other way around as the orthodox theory proposed.

Most of these propositions have been touched on before. The first proposition seems to imply that investment is a dependent variable or—to be more precise—is determined by the marginal propensity to consume. However, the second proposition suggests that investment is an independent variable and determines employment along with the supply function and the propensity to consume. But it is possible for a variable to be both dependent and independent.

In the case of investment a capitalist's decisions will be influenced (or even determined) by his view of the consumption decisions of his existing or potential customers. If "market conditions" are unfavourable he will contract his level of investment, whereas if the market is buoyant investment will increase. But it is also true that the investment decisions of the capitalist influence consumption. The more people that the capitalist employs the greater will be the capacity of the economy to consume.

Propositions 3 to 6 above relate to the volume of employment and the wage level. While the volume of employment is determined by the elements in the first two propositions, the level of employment determines the marginal productivity of labour and the price of labour. Although Keynes accepts the orthodox theory that workers will not work if the disutility of an extra unit of work exceeds the pleasure to be gained from the extra wages, he doesn't think this proposition is decisive.

The key point is that the level of employment determines the marginal level of productivity and the wage level. A high wage level is a consequence of high unemployment rather than its cause.

As indicated in part one of this series Keynes believed the capitalist (or his managerial representatives) decides on the level of employment. As he employs more labour units, the productivity of the last unit diminishes. This tendency drives down the price of labour.

A case could be made that the best way of ensuring high wages is to restrict the level of employment! However, something will then have to be done with the unemployed, such as imprisoning them (e.g. the USA) or paying them welfare. This imposes a cost on the productive element of the population.

In Ireland an arguable case could be made that high wages were maintained by high levels of emigration: employment was restricted but the society was saved the cost of unemployment. The counter argument would be that recent waves of emigration have included highly product-

ive, educated workers and the society incurred a cost in educating them.

Nevertheless, the argument should not be dismissed out of hand. The level of productivity of a worker is not only determined by his level of training, education or natural ability; it is also determined by the ratio of workers to the productive resource (Land or Capital). An obvious example is the case of agriculture. A small number of people with modern farm machinery can obtain a large amount of output from a limited supply of land. However as extra units of labour are applied to the land the output gains diminish quite rapidly. In the case of some forms of agriculture, such as Dairy farming, it does not take long for any extra units of labour to be superfluous (i.e. zero output gains).

During the Industrial Revolution Britain could absorb the surplus labour from the land because of the vast amount of capital accumulated from her empire. This was not possible in Ireland.

**John Martin**

**Next month: the Multiplier**

Does  
It  
Up

Stack  
?

#### DEMOCRACY AND THE MAY REFERENDUM ON MARRIAGE

There is a story about a teacher who was teaching biology to a class of female children and she was making heavy weather of it—how to say enough without saying too much—the difference between men and women, between boys and girls . . . ., she was getting embarrassed until just then a dog wandered into the classroom. The teacher grasped the opportunity and asked the girls—*"now girls how do we know the sex of this dog, how do we find out?"* Silence. *"Come on girls, we want to find out is this a male dog or a female dog, so how do we know?"* Silence. . . . Then one little girl held up her hand: *"I know, Miss."* The teacher, relieved, said *"well tell the class how"*. The girl said: *"My father is a TD and he says when you need to decide anything you take a vote on it and so we can vote on the dog to find out what sex it is."*

That's democracy for you! And that's the sort of democracy our Government wants us to exercise in the Marriage Equality Referendum. We can alter the meaning and substance of marriage by voting on it—just like the little girl's daddy said.

Mrs. Kenny may know what sex the Taoiseach Enda Kenny is. But no matter what she thinks she knows, we could decide definitively what sex he is by voting on it! How ridiculous can the politicians get?

But maybe the politicians know exactly what they are up to and maybe they are intentionally abusing the concept of democracy so as to fracture society, which is the actual end result of these referenda to change the Constitution of Ireland. Look at the Children's Referendum a few years ago which was promoted by the then Minister for Children, Conor Lenihan TD, under a Fianna Fail/Progressive Democrat Coalition Government. (The outcome has still not been decided by the Supreme Court after two citizens challenged it—despite considerable legislation having been enacted in its wake.)

When Minister Lenihan was asked in a media interview where did the demand for change in the Constitution come from—he hummed and hawed and eventually he admitted the suggestion was made to him by Barnardos (a children's charity under CEO Fergus Finlay who went on to benefit

hugely from such a change in the *legal rights* of children and thus a conflict of interest should have precluded such interference but of course the media doesn't comment on such cosy relationships when they too are on board for societal change). When pressed further, the Minister also admitted that the only other such demand for change came from: *"Well Justice Adrian Hardiman suggested it to me as well"*.

And it shouldn't take long to realise that, coming from this source with all its invested interest in the law and basically how to make money from it—this too was a very tainted source as it red-flagged conflict of interest left, right and centre. Thus a minority view of two or three very powerful people influenced Minister Lenihan, as he himself admitted to attempt to change the Constitution of Ireland and spend millions of taxpayer's euros in doing so. At this stage I would speculate that there is no danger of the Supreme Court going against the Children's Referendum as it's now so embedded in the law and making huge profits for those involved in implementing it. So, by catering for demands made by very *elite minorities*, the Governments—both the last one and this one—are tearing Irish society apart, causing havoc and chaos for those least prepared to handle it but making plenty of money for those same elites—all under the guise of progress.

#### COURT RULE OF EVIDENCE

The ubiquitous Mr. Justice Hardiman was on more solid ground in a recent Supreme Court case involving admissibility of certain evidence in court cases. In USA and many other jurisdictions, evidence improperly obtained is called *"fruit from a poisoned tree"* and is court barred as soon as it comes to light.

Justice Adrian Hardiman and two other Supreme Court Judges were outvoted four against three on 15th April 2015. Hard cases make bad law and the case underlying this Supreme Court decision was a borderline hard case and, in my opinion, the Supreme Court Judges should have stuck by their previous Rules and not been influenced by a borderline case. The basic case is that a man was arrested on his premises following a Garda search. The Gardaí were on the premises using a then-valid search warrant issued under Section 29 of *Offences Against the State Act*. The defendant was taken under arrest to the Garda Station and after being properly cautioned, the Defendant made certain admissions which led to his prosecution before Waterford Circuit Court. But . . .

by the time the case reached trial, Section 29 of the OAS Act has been struck out as unconstitutional by the Supreme Court.

And so the Garda case in Waterford Circuit Court was left legless and the case collapsed because all the evidence was based on or resulted from the Section 29 Search Warrant. The Gardaí were not at fault and neither was the defendant. But the DPP (Department of Public Prosecution) appealed the Waterford decision and, on the basis of that one difficult and borderline case, the Supreme Court changed its Rules of Evidence and replaced what was called the *Kenny Test* (DPP v. Kenny 1990) with a new test that there should be *"an appropriate balance between competing factors"* and, under this new test, where the breach of Constitutional rights is *"not conscious and deliberate"*, the evidence should be admitted where the prosecution *"establishes that the evidence was obtained in circumstances where any breach of rights was due to inadvertence or derives from subsequent legal developments"*.

The Supreme Court could quite easily have made a rule covering cases where the law changed between the dates of taking evidence and the trial (in this case in Section 29), but it went much, much further and introduced the very uncertain concept of *"inadvertence"* which was not called for at all.

Mr. Justice Adrian Hardiman in his minority judgement said he was horrified at the majority decision. He cited critical findings about Garda behaviour at Tribunals of Inquiry and said:

*"I consider it utterly unwise, to use no stronger word, to grant to the Gardaí, in that context, the effective immunity from judicial oversight which the case does."*

The Gardaí have a job to do and they are professionals and they know the law (as it was) and it is hard to blame them for being over-zealous and the courts are there to restrain over-zealous Gardaí. But now the DPP, who caused this problem, will have no difficulty with discovering *"inadvertence"*, whenever the rules get in the way. That was the way in mediaeval courts. Do we want to go back there? I also find it amazing that the present Minister for Justice Francis Fitzgerald, TD hasn't stepped in and pointed out the huge impact this will have on court cases, their judgements and on the right of every citizen to a free and fair trial. Expect to see this issue run and run. The Minister for Justice can of course pass an Act to rectify the situation.

## LIBRARY AMALGAMATIONS

The Local Government Management Agency are adopting a policy of amalgamating local public libraries, they say their plans are not based on cost savings. Minister Alan Kelly TD is going along with the plans and the question has to be asked does he know what he is doing?

The Local Government Management Agency (who they?) say:

"The purpose is to establish stronger, more effective and efficient public libraries and deliver better library services to local communities and citizens"

—which is a load of pig swill because we have all these things already and we are quite satisfied thank you very much.

We have good local libraries and really excellent local librarians, precisely because they are local. It is an important motivating factor for librarians to be serving a local community and we do not want that local factor removed from us. It is nonsense to say that the urban local interests served by Cork City Library are even remotely similar to the local interests served by Cork County Library in Skibbereen or in Castletownbere eighty miles away.

It is essential that local library services remain local and remain under local control and management. Surely we have not sunk so low as to have no regard for our local knowledge, our local books and our local history which are all parts of our local libraries.

### British History, their ceremonies and how we Irish can learn from them.

#### THE FUNERAL OF RICHARD 111

This story in its many guises is unbelievable yet when the British State gave its *imprimatur* it was literally all hands on deck. Some time ago an English lady had a *premonition* that a city car park (it at one time was a cemetery) had in its deepest bowels the remains of King Richard 111 and she went to the papers with her *premonition* and they started running with stories to the effect that a small square in the car park should be dug up. Her *premonition* was very precise and finally in August 2012 the University of Leicester's Archaeology Department pressurised the local Council, which gave in and sure enough if they didn't dig up a body—or after some 500 years what remained of it and blow me down if it didn't turn out to be that of the King himself who died in the Battle of Bosworth in 1485.

The whole story of DNA extraction sounds a little iffy but why get in the way of a good story? The city of Leicester

turned out in their thousands to watch the great pageantry unfold as the hearse was carried by four black riderless horses to his final resting place in Leicester Cathedral. The Plantagenet King (need it be said that he was of course a Catholic) was buried before a watching world, 700 specially invited guests and the Royal Family were represented by the Countess of Wessex in her black weeds, and the Duke of Gloucester who shares his name and title with the King. During the service, the Duke placed the monarch's Book of Hours, his personal prayer book, on a white cushion by the coffin before it was lowered into the grave. According to *Hello* No. 1373, 6th April 2015, there was also a message from the Queen who said the event "*had great national and international significance*". In a Note for the Order of Service, she wrote:

"Today we recognise a king who lived through turbulent times and whose Christian faith sustained him in life and death."

Sitting in the congregation were descendants of the dead King's family including the actor Benedict Cumberbatch who read a poem by Poet Laureate Carol Ann Duffy specially composed for the day. ... Wearing a white rose of York

badge in his lapel, Cumberbatch who is due to play the part of the King in an upcoming BBC drama *'The Hollow Crown: The War of the Roses'* said he was looking forward to portraying him but "*there was this Shakespearean image of him as a deformed tyrant who killed his nephews in order to grab the crown*".

I thought that the Archbishop of Canterbury, the Most Rev. Justin Welby (formerly a city banker), should have allowed the Catholic Bishop of Leicester lead the prayers but he was regulated to a side role but then this is British propaganda masquerading as history. The King's coffin was—

"draped in an embroidered pall and adorned with a crown was lowered into his *sealed* tomb, covered by a block of Swaledale fossil limestone bearing a cross, on top of a darker plinth showing his name, dates, motto and coat of arms."

"*The tomb is something else*" said Dr. Phil Stone, Chairman of the Richard 111 Society. "*I think for a mediaeval king reburied in the 21st century, it's a fitting place.*"

Can we Irish not come up with a rival tourist attraction based perhaps a bit more on factual history? I am off to the Battle of Clontarf site myself.....

**Michael Stack**

## Corporation Tax — The Job Creation Myth

After years of lobbying by corporate interests and as part of the Stormont House Agreement, our local political parties have secured the passing of a Bill at Westminster, which will enable Northern Ireland to set its own rate of corporation tax from April 2017.

Announcing the measure, Theresa Villiers, Secretary of State for Northern Ireland, said:

"There is strong support for this change across all 5 of the parties in the Northern Ireland Executive and the business community who believe it would provide a major incentive for domestic businesses to invest further in Northern Ireland and significantly increase foreign direct investment. Given the land border shared with a lower corporation tax jurisdiction, this measure has the potential to create thousands of new jobs and stimulate crucial growth in Northern Ireland's private sector, leading to a stronger, re-balanced economy."

To prepare the ground for this measure these same parties are looking to 'lose'

20,000 public sector jobs in the next 4 years. This will enable the Assembly to make up the immediate shortfall in tax revenue lost to the Treasury, until the point is reached where new investment exceeds the amount sacrificed. The "re-balancing" of our economy will come apparently, from the Foreign Direct Investment (FDI) that will be attracted by the "harmonisation" of the current 21% rate payable, to the 12.5% rate payable in the Republic of Ireland. If the rate is lowered, around 34,000 businesses in Northern Ireland would stand to benefit, including 26,500 SMEs.

But here's the rub. None of these businesses need to create a single extra job to benefit from this effective windfall and there is little or no evidence that FDI will come flooding in.

### IGNORING THE EVIDENCE

Indeed the Assembly's support for this measure flies in the face of the evidence gathered in the *Varney Review* into Tax

Policy published in December 2007, of which the then, UK Chancellor, Alistair Darling, stated:

"I welcome Sir David Varney's report, which provides a professional and in depth analysis of the case for a lower rate of corporation tax in Northern Ireland. **The Government accepts his finding that there is no convincing case for such a change.**"

The issue was examined again, in depth, by PwC in January 2011 in a report titled "*Corporation Tax—Game Changer or Game Over*". Just reading the Executive Summary of this report should send alarm bells ringing in Stormont. Amongst their findings they noted –

*"Low Corporation tax is not a key driver of investment for FDI locating in the UK, ranking 17th in a list that prioritised: language, culture and values; infrastructure; skills and proximity to markets."*

They also noted that the Republic of Ireland had a lower rate of Corporation Tax for three decades before the 1980s and the Boom that was dubbed the Celtic Tiger. They noted too that other incentives were offered in the Republic and a more significant factor in respect of tax, is the total tax rate, representing the sum of all of the taxes payable in a jurisdiction.

Ominously, they state—

*"we could not find any clear evidence that low Corporation Tax alone would create sub-regional competitive advantage sufficient to create a disproportionate increase of FDI into the UK or Northern Ireland and increased competitiveness amongst indigenous companies"*.

PwC also reported claims made in a report by the Economic Research Institute of Northern Ireland (ERNI) in 2006, which asserted that cutting Corporation Tax could "*create 180,000 new jobs by 2030*". But they noted that by 2010, the Northern Ireland Economic Reform Group had revised this 'forecast' down to 90,000 jobs by 2030 and reduced expectations, to the hope that it might cut employment "*much further than would otherwise be the case.*"

In plain words the Assembly is taking a reckless gamble with our economy. And they are doing so despite the relevant evidence that is freely available.

For example—A DOE report—"*An Analysis of the Social and Economic Impact of Loss of Jobs in Northern Ireland*", which examined the closure of local vehicle licensing offices, noted –

*"A large proportion of the population is registered as being economically inactive, with social exclusion levels well above other parts of the UK; Many of our*

*households live in poverty, with joblessness and skills deficiencies, important contributory factors."*

And further that—

*"The percentage of the Northern Ireland workforce (aged 19-59/64) without any qualifications....significantly exceeds the UK average."*

This is significant, not least because PwC point out that "*a gradual shift of manufacturing away from the 'Western economies' is being compensated for by a growth in FDI by business services, financial intermediation, pharma, research and software*". However these sectors are concentrated in London, the South East and Scotland, where there are not the "*skills deficiencies*" and disadvantages identified in Northern Ireland. And yet the Assembly has just cut investment in Research and Development in our economy, notably in the Agri-food sector and made cuts in further education.

#### NI SURVEY OF HOURS AND EARNINGS

The fundamentals of our economy are outlined in another report—the *NI Annual Survey of Hours and Earnings* (19.11.14), which explains the relatively higher public sector pay compared to the private sector, by noting—

"differences in the composition of the respective workforces. For example, many of the lowest paid occupations, such as bar and restaurant staff, hairdressers, elementary sales occupations and cashiers, exist primarily in the private sector, while there are a larger proportion of graduate-level and professional occupations in the public sector." It also notes—"*Full-time employees in Northern Ireland had the lowest median gross weekly earnings (£457) across the UK2 regions at April 2014.*"

Having established that we have the lowest wages in the UK, the Assembly has determined we will continue on that path, refusing to invest in the sort of skills and infrastructure that attract higher value FDI to London, the South East and Scotland. To make up the shortfall in revenue from reduced Corporation Tax, we will instead have to rely on attracting significant volumes of new and highly labour intensive FDI—at low wages. Another Delorean anyone?

All of this will be done despite the evidence in the DOE report that a loss of around 300 jobs from the public sector then, would—

"not only affect the public sector, it could also have an impact on the private sector, given the multiplier effects. This

is likely to be severely damaging to businesses in NI, particularly given the current economic landscape. Given how relatively weak the local labour market is, the timing of this proposal could not be worse and will be extremely damaging to the NI economy."

The "*multiplier effect*", they explained, effectively means that 1.5 jobs will be lost in the private sector for every public sector job cut.

The economists also indicated that economic inactivity and unemployment "*is expensive for government, for taxpayers and for society as a whole*". Using "*a conservative figure*" they estimated that "*a reduction in employment of 300 in NI would represent an additional cost to taxpayers of £3m a year*".

No one has yet estimated the impact that 'a reduction in employment' of 20,000 public service jobs will have. But it won't be good.

**Michael Robinson**

(May/June issue of NIPSA News)

#### GIVING IN ORDER TO TAKE

They gave me their passport  
but without their right to vote  
they speak of democracy  
but that was across the moat

I did have a sort of a vote  
but it turned out to be a mirage  
the joker in the pack  
one-party rule in camouflage

So can majority rule be democratic  
when it gives the minority no hope  
they stay elected for fifty years  
and chant fuck-the-pope

We had our buffoons at Stormont  
who believed in reconciliation  
their answer was to pray on bended knee  
and ignore the humiliation

Even when they sang of Dolly's Brae  
up to their knees in fenian blood  
it wasn't just the song they sung  
in that Shankill Road Butcher's club

They called it the troubles  
as if it was a neighbourhood fight  
when it was a fully-fledged war  
which proved might isn't always right.

**Wilson John Haire**

20 April 2015

## LENIN continued

and their "theory", which they have presented as a new and independent solution of the problem of capitalism based on the last word of West European science and life, clearly demonstrates to what a primitive stage of the development of capitalism and public thought the origin of that theory belongs. But the point is not that this theory is old. There are quite a few very old European theories that would be very new for Russia. The point is that even when that theory appeared, it was a petty-bourgeois and reactionary theory.

### Notes

- {1} Cf. Mr. V.V.'s Narodnik programme "to drag history along another line." Cf. Volgin, *loc. cit.*, p. 181. —*Lenin*
- {2} The word is in English in the original. —*Ed.* —*Lenin*
- {3} Author's italics. —*Lenin*
- {4} An exactly similar mistake is made by the Narodniks in relation to another association (*the village community*), which satisfied the narrow need of association of local peasants linked to each other by the joint ownership of land, pastures, etc. (but chiefly by the joint rule of the landlords and bureaucrats), but which does not in any way satisfy the needs of the commodity economy and capitalism that breaks down all local, social-estate and other such barriers and introduces a profound economic antagonism of interests within the village community. The need for association, for organisation, has not diminished in capitalist society; on the contrary it has grown immeasurably. But it is utterly absurd to use the old yardstick for the purpose of satisfying this need of the new society. This new society is already demanding, firstly, that the association shall not be according to locality, social estate, or other such category; secondly, that its starting-point shall be the difference in status and interests that has been created by capitalism and by the differentiation of the peasantry. Local, social-estate association, on the other hand, which links together peasants who differ sharply from each other in economic status and interests, now, because of its compulsory nature, becomes harmful for the peasants themselves and for social development as a whole. —*Lenin*
- {5} See above, at least the title of the chapter from which we quoted the arguments about the Guilds (quoted also by Ephrucky: p 147). —*Lenin*
- {6} The fact that he demonstrated the existence of these needs places him, we repeat, far above the narrow-minded

bourgeois economists. —*Lenin*

- {7} But even on this subject Sismondi was not "ahead" of his day for he merely approved of what was already being practised in England, but was unable to understand the connection that existed between these changes and large-scale machine industry and the progressive historical work it was doing. —*Lenin*
- {8} We do not wish to say that there is no difference in this respect between the authors referred to, but it does not explain the point and misrepresents the relation between Sismondi and the other authors: it is made to appear that they held the same point of view and differed only in the radicalness and consistency of the conclusions they drew. But the point is not that Sismondi "did not go" so far, but that he "went" back, whereas the other authors referred to "went" forward. —*Lenin*
- {9} "Robert Owen," says Marx, "the father of Co-operative Factories and Stores, but who... in no way shared the illusions of his followers with regard to the bearing (*Tragweite*) of these isolated elements of transformation, not only practically made the factory system the sole foundation of his experiments, but also declared that system to be theoretically the starting-point of the 'social revolution.'" {18} —*Lenin*
- {10} "The task which Russian society has to fulfil is becoming more and more complicated every day. Capitalism is extending its conquests day after day..." (*ibid.*). —*Lenin*
- {11} "Russian society has to fulfil a great task, one that is extremely difficult but not impossible—to develop the productive forces of the population in such a form as to benefit not an insignificant minority, but the entire people" (N.-on, 343). —*Lenin*
- {12} Cf. quotations in *Russkoye Bogatstvo*, No. 8, p. 57, and also Mr. N.-on's article in *Russkoye Bogatstvo*, No. 6, p. 94. —*Lenin*
- {13} Ephrucky quotes this passage in No. 8 of *Russkoye Bogatstvo*, p. 57 (from the beginning of this paragraph). —*Lenin*
- {14} Cf. *Russkoye Bogatstvo*, 1894, No. 6, p. 88, article referred to. In the translation of this passage Mr. N.-on is guilty of two mistranslations and of one omission. Instead of "petty-bourgeois" and "petty-peasant" he translates "narrow-burgher" and "narrow-peasant." Instead of "cudgels for the workers" he translates "cudgels for the people," although in the original we have the word *Arbeiter*. (In the English translation of 1888, authorized by Engels, it is "working class." —*Ed.*) He omitted the words: "were bound to be exploded" (*gesprengt werden mussten*). {19} —*Lenin*
- {15} Such as Adolph Wagner?—*K. T.* —

*Lenin*

- {16} Mr. V. V., another Narodnik economist is quite in accord with Mr. N.-on on the extremely important questions referred to above, and differs from him only in that his point of view is even more primitive. —*Lenin*. V. V. (pseudonym of V. P. Vorontsov) and N.-on (pseudonym of N. F. Danielson) were ideologists of liberal Narodism of the 1880s and 1890s.
- {18} Karl Marx, *Capital*, Vol. I, Moscow 1956, pp. 503-04.
- In the 1897 and 1898 editions, because of the censorship, Lenin replaced the word "social revolution" (*der sozialen Revolution*) by the words "social transformation." In the 1908 edition Lenin translated the word as "social revolution." This correction has been made in the present edition.
- {17} *Chinsh peasants*—those entitled to the hereditary possession of the land in perpetuity, and who had to pay an almost fixed quit-rent, known as *chinsh*. In tsarist Russia, the *chinsh* system operated mainly in Poland, Lithuania, Byelorussia, and the Black Sea littoral of the Ukraine.
- {19} Marx and Engels, *Manifesto of the Communist Party. Selected Works*, Vol. I, Moscow, 1958, p. 57.

"Ephrucky died in 1897. An obituary was published in *Russkoye Bogatstvo*, March 1897." —*Lenin*

"NARODISM is very old. It is considered to have been founded by Herzen and Chernyshevsky. Effective Narodism reached its peak when, in the seventies, revolutionaries began to "go among the people" (the peasantry). The Narodnik economic theory was developed in its most integral form by V. V. (Vorontsov) and Nikolai —on, in the eighties of the last century. In the early twentieth century, the views of the Left Narodniks were expressed in the most definite form by the Socialist-Revolutionaries. The revolution of 1905, which showed all the social forces of Russia in an open, mass action of the classes, made a general test of Narodism and defined its place. The only real content and social significance of Narodism is peasant democracy." —*LENIN*.

Jean-Charles-Léonard Simonde de Sismondi was born on May 9, 1773, in Geneva, Switzerland. Over the course of his career Sismondi wrote histories of Italy and France; he is best known for his writings on the danger of unregulated capitalism as well as influential texts on the subject of political economy. Sismondi died in Chêne, Switzerland, on June 25, 1842.

## LENIN continued

simply ignored the modern theory and defended Sismondi with references to German scholars who "went no further" than Sismondi; *thirdly and lastly*, Ephrucky was pleased to sum up his appraisal of Sismondi in the following way: "Our (!) opinion of the importance of Simonde de Sismondi", he says, "we can (!) sum up in the following words" of a German economist (*Russkoye Bogatstvo*, No. 8, p. 57), and then follows the passage indicated above, i.e., *only a part* of the characterisation given by that economist; but the part which explains the connection between Sismondi's theory and a special class in modern society, and the part where the final conclusion is drawn that Sismondi is reactionary and utopian, are omitted! More than that. Ephrucky did not confine himself to taking a *fragment* of the comment, which gives no idea of the comment *as a whole*, and thereby presenting this economist's attitude towards Sismondi in a totally wrong light; he tried, further, to embellish Sismondi, while pretending that he was merely conveying the opinion of that economist.

"Let us add to this," says Ephrucky, "that in some of his theoretical views, Sismondi is the predecessor of the most outstanding modern economists {15}: let us recall his views on revenue from capital and on crises, his classification of national revenue, and so forth" (*ibid.*).

Thus, instead of *supplementing* this German economist's reference to Sismondi's merits with the same economist's reference to Sismondi's petty-bourgeois point of view, and to the reactionary character of his utopia, Ephrucky supplements the list of Sismondi's *merits with precisely those parts of his theory* (such as his "classification of the national revenue") *which*, in the opinion of this same economist, contain *not a single scientific word*.

We may be told: Ephrucky may not in the least share the opinion that the explanation of economic doctrines must be sought in economic reality; he may be profoundly convinced that A. Wagner's theory of the "*classification of the national revenue*" is the "*most outstanding*" theory. We are quite willing to believe this. But what right had he to flirt with the theory which the Narodnik gentlemen are so fond of saying they 'agree' with, when in fact, he completely misunderstood that theory's attitude to Sismondi, and did everything possible (and even impossible) to present

this attitude in a totally wrong light?

We would not have devoted so much space to this question had it concerned only Ephrucky—an author whose name we meet in Narodnik literature perhaps for the first time. It is not Ephrucky's personality, nor even his views, that are important for us, but *the Narodniks' attitude in general towards the theory of the famous German economist which, they claim, they agree with*. Ephrucky is by no means an exception. On the contrary, his is quite a typical case, and to prove this we have throughout drawn a parallel between Sismondi's viewpoint and theory and Mr. N.-on's viewpoint and theory. {16} The similarity proved to be complete: the theoretical views, the viewpoint regarding capitalism, and the character of the practical conclusions and proposals of both authors proved to be *identical*. And as Mr. N.-on's views may be described as the last word in Narodism, we have a right to conclude that *the economic theory of the Narodniks is but a Russian variety of European romanticism*.

It goes without saying that Russia's specific historic and economic features, on the one hand, and her incomparably greater backwardness, on the other, lend Narodism particularly marked distinctive features. But these distinctions are no more than those between varieties within the same species and, therefore, do not disprove the *similarity* between Narodism and petty-bourgeois romanticism.

Perhaps the most outstanding and striking distinction is the effort the Narodnik economists make to disguise their romanticism by stating that they "*agree*" with modern theory and by *referring* to it as often as possible, although this theory sharply disapproves of romanticism and has grown up in the course of a fierce struggle against petty-bourgeois doctrines of every variety.

The analysis of Sismondi's theory is of special interest precisely because it provides an opportunity to examine the *general methods* used in wearing this disguise.

We have seen that *both* romanticism and the modern theory *indicate the same* contradictions existing in contemporary social economy. The Narodniks take advantage of this when they point to the fact that modern theory recognises the contradictions which manifest themselves in crises, in the quest for a foreign market, in the growth of production simultaneously with a decline in consumption, in protective tariffs, in the harmful effects of

machine industry, and so on, and so forth. And the Narodniks are quite right: modern theory does indeed recognise all these contradictions, which romanticism also recognised. But the question is: has a single Narodnik ever asked wherein lies the difference between the scientific analysis of these contradictions, which reduces them to the different interests that spring from the present system of economy, and the utilisation of these references to contradictions merely in order to utter good wishes? No, we do not find a single Narodnik who has examined this question of the difference between the modern theory and romanticism. The Narodniks likewise utilise their references to contradictions merely in order to utter good wishes.

The next question is: has a single Narodnik ever asked wherein lies the difference between the sentimental criticism of capitalism and the scientific, dialectical criticism of it? Not one of them has raised this question of the second major difference between modern theory and romanticism. Not one of them has considered it necessary to use the present development of social and economic relations as the criterion of his theories (yet it is the application of this criterion that constitutes the chief distinguishing feature of scientific criticism).

And the last question is: has a single Narodnik ever asked wherein lies the difference between the viewpoint of romanticism, which idealises small production and bewails the "*break-up*" of its foundations by "*capitalism*", and the viewpoint of the modern theory, which takes large-scale capitalist machine production as its point of departure and proclaims this "*break-up of foundations*" to be progressive? (We employ this generally accepted Narodnik term. It vividly describes the process of change in social relations resulting from the influence of large-scale machine industry which *everywhere*, and not only in Russia, has taken place with an abruptness and sharpness that have astonished public opinion.) Again no. Not a single Narodnik has asked himself this question, not one of them has attempted to apply to the Russian "*break-up*" those yardsticks which made people acknowledge the West-European "*break up*" as progressive. They all weep about the foundations, advise that this break-up be stopped, and assure us through their tears that this is the "*modern theory*"...

The comparison of Sismondi's theory

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anticipate the future, but restored the past; he did not look forward, he looked backward, and dreamed of "stopping the break-up", that very "break-up" from which the authors mentioned deduced their utopias. {9} That is why Sismondi's utopia is regarded—and quite rightly—as reactionary. The grounds for this characterisation, we repeat once again, are merely that Sismondi did not understand the progressive significance of that "break-up" of the old semi-mediaeval, patriarchal social relations in the West European countries which at the end of last century large-scale machine industry began to effect.

This specific viewpoint of Sismondi's can be discerned even in his arguments about "association" in general. "I want", he says, "the ownership of the manufactures (*la propriété des manufactures*) to be shared among a large number of medium capitalists, and not concentrated in the hands of one man who owns many millions. . ." (II, 365). The viewpoint of the petty bourgeois is still more strikingly reflected in the following utterance: "Not the poor class, but the day-labourer class should be abolished; it should be brought back to the propertied class" (II, 308) To be "brought back" to the propertied class—these words express the sum and substance of Sismondi's doctrine!

It goes without saying that Sismondi himself must have felt that his fine wishes were impracticable, he must have been conscious that they were incompatible with the contemporary conflict of interests.

"The task of reuniting the interests of those who associate in the same process of production (*qui concourent à la même production*) . . . is undoubtedly a difficult one, but I do not think this difficulty is as great as is supposed" (II, 450). {10}

The consciousness of this incompatibility of his desires and aspirations and the actual conditions and their development naturally stimulates the desire to prove that it is "not yet too late. . . to go back", and so forth. The romanticist tries to base himself upon the undeveloped state of the contradictions of the existing system, upon the backwardness of the country.

"The nations have won a system of freedom into which we have entered" (this refers to the fall of feudalism); "but at the time they destroyed the yoke that they had borne for so long, the labourers (*les hommes de peine*) were not bereft of all property. In the rural districts they possessed land for a half share in the

crops, were chinch peasants (*censitaires*), {17} and tenant farmers (*ils se trouverent associés à la propriété du sol*). In the towns, as members of corporations and trade guilds (*métiers*) which they formed for mutual protection, they were independent tradesmen (*ils se trouverent associés à la propriété de leur industrie*). Only in our days, only in the most recent times (*c'est dans ce moment même*) is the progress of wealth and competition breaking up all these associations. But this break-up (*révolution*) is not yet half accomplished" (II, 437).

"True, only one nation is in this unnatural position today; {England} only in one nation do we see this permanent contrast between apparent wealth (*richesse apparente*) and the frightful poverty of a tenth of the population, which is forced to live on public charity. But this nation, so worthy of emulation in other respects, so dazzling even in its errors, has, by its example, tempted all the statesmen of the Continent. And if these reflections cannot now benefit her, I shall at least, I think, render a service to mankind and to my fellow countrymen by pointing to the danger of the path she is following, and by showing from her own experience that to base political economy on the principle of unrestricted competition means to sacrifice the interests of mankind to the simultaneous operation of all personal passions" (II, 368). {11}

That is how Sismondi concludes his *Nouveaux Principes*.

The general significance of Sismondi and of his theory was distinctly formulated by Marx in the following comment, which first outlines the conditions of West-European economic life that gave rise to such a theory (and did so exactly at the time when capitalism was only just beginning to create large-scale machine industry there), and then gives an appraisal of it. {12}

"The medieval burgesses and the small peasant proprietors were the precursors of the modern bourgeoisie. In those countries which are but little developed, industrially and commercially, these two classes still vegetate side by side with the rising bourgeoisie.

"In countries where modern civilisation has become fully developed, a new class of petty bourgeois has been formed, fluctuating between proletariat and bourgeoisie and ever renewing itself as a supplementary part of bourgeois society. The individual members of this class, however, are being constantly hurled down into the proletariat by the action of competition, and, as modern industry develops, they even see the moment approaching when they will completely disappear as an independent section of modern society, to be replaced, in manufactures, agriculture and commerce,

by overlookers, bailiffs and shopmen.

"In countries like France, where the peasants constitute far more than half of the population, it was natural that writers who sided with the proletariat against the bourgeoisie should use, in their criticism of the bourgeois regime, the standard of the peasant and petty bourgeois, and from the standpoint of these intermediate classes should take up the cudgels for the working class. Thus arose petty-bourgeois Socialism. Sismondi was the head of this school, not only in France but also in England.

"This doctrine dissected with great acuteness the contradictions in the conditions of modern production. It laid bare the hypocritical apologies of economists. It proved, incontrovertibly, the disastrous effects of machinery and division of labour; the concentration of capital and land in a few hands; overproduction and crises; it pointed out the inevitable ruin of the petty bourgeois and peasant, the misery of the proletariat, the anarchy in production, the crying inequalities in the distribution of wealth, the industrial war of extermination between nations, the dissolution of old moral bonds, of the old family relations, of the old nationalities. {13}

"In its positive aims, however, this form of Socialism aspires either to restoring the old means of production and of exchange, and with them the old property relations, and the old society, or to cramping the modern means of production and of exchange, within the framework of the old property relations that have been, and were bound to be, exploded by those means. In either case, it is both reactionary and utopian.

"Its last words are: corporate guilds for manufacture; patriarchal relations in agriculture" (*Mark*) {14}.

We tried to prove that this description is correct as we examined each separate item of Sismondi's doctrine. Here let us merely note the curious trick employed by Ephrussi to crown all the blunders he made in his exposition, criticism and appraisal of romanticism. The reader will remember that at the very beginning of his article (in *Russkoye Bogatstvo*, No. 7), Ephrussi stated that it was "unfair" and "incorrect" to include Sismondi among the reactionaries and utopians (*loc. cit.*, p. 138). To prove this thesis Ephrussi firstly contrived to say nothing at all about the main thing—the connection between Sismondi's point of view and the position and interests of a special class in capitalist society, the small producers; secondly, in examining the various tenets of Sismondi's theory Ephrussi in part presented his attitude to modern theory in a totally wrong light, as we have shown above, and in part,

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mediaeval institutions, but the attempt to measure the new society with the old patriarchal yardstick, the desire to find a model in the old order and traditions, which are totally unsuited to the changed economic conditions.

**Ephrucy** {the writer} understood nothing of this circumstance. He understood the characterisation of Sismondi's theory as reactionary in the crude, vulgar sense. Ephrucy was abashed... What do you mean? he argued, how can Sismondi be called a reactionary when he plainly says that he does not want to restore the Guilds? And Ephrucy decided that it was unfair to "accuse" Sismondi of being "retrogressive", that, on the contrary, Sismondi's attitude "to the guild organisation was correct" and that he "fully appreciated its historical importance" (No. 7, p. 147), as has been proved, he says, by the historical researches of such and such professors into the good sides of the Guild organisation.

Quasi-scientific writers often possess an amazing ability not to see the wood for the trees! Sismondi's point of view on the Guilds is characteristic and important precisely because he links his practical proposals with them. {5} *That is why* his theory is described as *reactionary*. But Ephrucy begins to talk without rhyme or reason about modern historical works on the Guilds!

The result of these inappropriate and quasi-scientific arguments was that Ephrucy by-passed the very substance of the question, namely: is it or is it not fair to describe Sismondi's theory as reactionary? He overlooked the very thing that is most important—Sismondi's *point of view*.

"I have been accused," says Sismondi, "of being an enemy of social progress in political economy, a partisan of barbarous and coercive institutions. No, I do not want what has already been, but I want something better than the present. I can not judge the present otherwise than by comparing it with the past, but I am far from wishing to restore the old ruins when I refer to them in order to demonstrate the eternal needs of society" (II, 433).

The *wishes* of the romanticists are very good (as are those of the Narodniks). Their recognition of the contradictions of capitalism places them above the blind optimists who deny the existence of these contradictions. And it is not because he wanted to return to the Middle Ages that

he was regarded as a reactionary, but because, in his practical proposals, he "*compared the present with the past*" and not with the future; because he "*demonstrated the eternal needs of society*" {16} by referring to "*ruins*" and not by referring to the trends of modern development; It was this petty-bourgeois viewpoint of Sismondi's which sharply distinguishes him from the other authors, who also demonstrated, in his time and after, the "*eternal needs of society*", that Ephrucy failed to understand.

This mistake of Ephrucy's was due to the very same narrow interpretation of the terms "*petty-bourgeois*" doctrine and "*reactionary*" doctrine referred to above in connection with the first of these terms. They by no means imply the selfish greed of the small shopkeeper, or a desire to halt social development, to turn back: they simply indicate the given author's *mistaken* point of view, his limited understanding and narrow outlook, which prompt the choice of means (for the achievement of very good aims) that cannot be effective in practice, and that can satisfy only the small producer or be of service to the defenders of the past. Sismondi, for example, is not at all a fanatical advocate of small *proprietorship*. He understands the need for organisation and for association no less than our contemporary Narodniks do. He expresses the wish that "*half the profits*" of industrial enterprises should be "*distributed among the associated workers*" (II, 346). He openly advocates a "*system of association*" under which all the "*achievements of production benefit the one engaged in it*" (II, 438). In speaking of the relation between his doctrine and the doctrines, then well known, of Owen, Fourier, Thompson and Muiron, Sismondi says:

"I, like they, want to see association instead of mutual opposition among those who produce a given article in common. But I do not think that the means which they proposed for the achievement of this object could ever lead to it" (II, 365).

The difference between Sismondi and these authors is precisely one of *viewpoint*. It is quite natural, therefore, that Ephrucy, who does not understand this viewpoint, should completely misinterpret Sismondi's attitude to these authors.

"*That Sismondi exercised too little influence upon his contemporaries*", we read in *Russkoye Bogatstvo*, No. 8, p. 57, {Ephrucy}

"that the social reforms he proposed were not put into effect, is due mainly to the fact that he was a long way ahead of

his time. He wrote at a time when the bourgeoisie was enjoying its honeymoon ... Naturally, under these circumstances, the voice of a man who was demanding social reforms could not but remain a voice crying in the wilderness. But we know that posterity has not treated him much better. This, perhaps, is due to Sismondi's having been, as we have already said above, an author who wrote in a transitional period; although he wanted big changes, he could not completely discard the past. Moderate people therefore thought he was too radical, whereas in the opinion of the representatives of more extreme trends, he was too moderate."

Firstly, to say that Sismondi was "*ahead of his time*" with the reforms he proposed indicates a complete misunderstanding of the very substance of the doctrine of Sismondi, who himself stated that he compared the present with the past. One must indeed be infinitely short-sighted (or infinitely partial to romanticism) to overlook the general spirit and general significance of Sismondi's theory only because Sismondi favoured factory legislation, {7} and so forth.

Secondly, Ephrucy thus assumes that the difference between Sismondi and the other authors is only in the *degree of radicalness* of the reforms they proposed: they went further, but he did not entirely discard the past.

That is not the point. The difference between Sismondi and these authors is a much deeper one—it is not that some went further and others were timid, {8} but that they regarded the *very character* of reforms from two *diametrically opposite* points of view. Sismondi demonstrated the "*eternal needs of society*". So, too, did these authors. Sismondi was a utopian, he based his proposals on an abstract idea and not on real interests. So were these authors; they also based their plans on an abstract idea. But it was the *character* of their respective plans that differed entirely, because they regarded modern economic development, which presented the question of "*eternal needs*", from *diametrically opposite* angles.

The authors referred to anticipated the future; with the foresight of genius they divined the trend that would be taken by the "*break-up*" which the machine industry of that period was effecting before their eyes. They looked in the direction in which development was in fact proceeding; they, indeed, *were ahead* of that development. Sismondi, however, *turned his back* on this development; his utopia did not

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**LABOUR**

# Comment

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## Lenin—A Word on Guilds

V. I. Lenin—A Characterisation of Economic Romanticism (*Sismondi and Our Native Sismondists*, Chapter Five, 1897.)

It goes without saying that Sismondi could not but realise how actual development was proceeding. Therefore, in demanding "encouragement for small farming" (II, 355), he plainly said that it was necessary "to direct agriculture along a road diametrically opposite to that which it is following in England today" (II, 354-55). {1}

"Happily, England possesses means for doing a great deal for her rural poor by dividing among them her vast common lands (*ses immenses communaux*)... If her common lands were divided up into free allotments (*en propriétés franches*) of twenty to thirty acres they" (the English) "would see the revival of that proud and independent class of countrymen, the *yeomanry*, {2} whose almost complete extinction they now deplore" (II, 357-58).

The "plans" of romanticism are depicted as very easily realisable—precisely because they ignore real interests, and this is the essence of romanticism. "Such a proposal" (to allot small plots of land to day labourers and to impose the duty of guardianship over the latter upon the landowners) "will probably rouse the indignation of the big landowners, who alone enjoy legislative power today in England; nevertheless, it is a just one... The big landowners alone need the services of day labourers; they created them—let them, therefore, maintain them" (II, 357).

One is not surprised to read such naïve things written at the beginning of the century: the "theory" of romanticism conforms to the primitive state of capitalism in general, which conditioned such a primitive point of view. At that time there was still conformity between the actual development of capitalism—the theoretical conception of it—and the attitude

towards capitalism, and Sismondi, at all events, appears as a writer who is consistent and true to himself.

"We have already shown," says Sismondi, "the protection that this class" (i.e., the class of artisans) "once found in the establishment of guilds and corporations (*des jurandes et des maîtrises*)... We are not proposing that their strange and restrictive organisation should be restored... But the legislator should set himself the aim of increasing the reward for industrial labour, of extricating those engaged in industry from the precarious (*précaire*) position in which they are living and, finally, of making it easier for them to acquire what they call a *status* {3} (*un état*)... Today, the workers are born and die workers, whereas formerly, the status of worker was merely the preliminary stage, the first rung to a higher status. It is this ability to advance (*cette faculté progressive*) that it is important to restore. Employers must be given an incentive to promote their workers to a higher status; to arrange it so that a man who hires himself to work in a manufactory shall actually start by working simply for wages, but that he should

always have the hope, provided his conduct is good, of sharing in the profits of the enterprise" (II, 344-45).

It would be difficult to express the viewpoint of the petty bourgeois more strikingly! The Guilds are Sismondi's ideal, and the reservation he makes about the undesirability of restoring them obviously means only that the principle, the idea of the Guilds should be taken (exactly as the Narodniks want to take the principle, the idea of the village community, and not the contemporary fiscal association called the village community) and that its monstrous mediaeval features should be discarded. The absurdity of Sismondi's plan is not his wholesale defence of the Guilds, nor his wanting to restore them in their entirety—he did not set out to do that. The absurdity lies in his making his model an *association* which arose out of the local artisans' narrow, primitive need for organisation, and wanted to apply this yardstick, this model, to capitalist society, whose organising, socialising element is large-scale machine industry, which breaks down mediaeval barriers and obliterates differences of place, origin and trade. Appreciating the need for association, for organisation in general, in one form or another, the romanticist takes as a model the association which satisfied the narrow need for organisation in patriarchal, immobile society, and wants to apply it to a totally transformed society, a society with a mobile population, and with labour socialised within the bounds not of a village community, or a corporation, but of a whole country, and even beyond the bounds of a single country. {4}

It is this mistake that quite justly earns for the romanticist the designation of *reactionary*, although this term is not used to indicate a desire simply to restore

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