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The Adventures of Sinn Fein

Irish Times columnist and Professor of History at UCD, Diarmaid Ferriter exhorts us to *Resist The Hijacking Of History During Centenary Events* (IT, 26 Sept.).

What hijacker is lurking about and plotting to take the Insurrection, the Election, and the War of Independence away from us? What force has developed in the state forged by those events that has the interest and the ability to hijack them if we are not on the alert to prevent it?.

We can only think of the History Department of Trinity College—an institution of the State that was broken by the events whose centenaries are coming, but which kept hanging on. It has the interest certainly. But the ability? It shot its bolt too soon. David Fitzpatrick, Peter Hart, Joost Augusteijn bombarded us with the concocted revelations of the Trinity History Workshop ten or fifteen years ago and the effects of their explosions has dissipated.

It seems that the events will be celebrated in accordance with the understanding that everybody had of them before "*modern scholarship*" got to work on them.

The middle event of the three will not be celebrated of course—the Election. But that too is traditional. The Election, in these times of pedantic democracy, should be regarded as the most important of the three. But it is also the most awkward of the three because of questions it raises about Britain.

1916 and 1919-21 were "*armed struggle*", and Britain has no difficulty with that. Armed rebellion—Bang,Bang,Bang—compromise. And for the past thirty years Britain has been re-writing our history of it to its own advantage, and Irish academics have on the whole played along. Armed rebels cannot be given what they demand straight away. They must be resisted, if only to discover how much they really represent, before a settlement is made with them. But—— *an Election* ? Can voters be put on a par with gunmen? Especially in an Election called by Britain a few days after it had won the Great War for democracy and the rights of small nations?

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Budget 2016:

Another middle class budget

The Government delivered this budget—the last before the election—in the context of a much improved financial position. For the second year running the country will record the fastest rate of growth in the EU.

Last year the Minister for Finance was predicting growth rates for 2015 of 3.5%. The actual rate is now likely to exceed 6%. The growth rate for 2016 is predicted to be 4.3%. This year the budget deficit is likely to be 2.2%. which is below the 2.7% predicted this time last year. Indeed the State will show a primary surplus (balance before interest payments) of 1.2% this year. Last year the National Debt was expected to fall to 100% of GDP by 2018, but now the Debt is projected to equal 97% for 2015 and 93% of GDP by the end of 2016, which is about equal to the euro zone average. If account is taken of the cash and liquid assets held by the National Treasury Management Agency and the Irish Strategic Investment Fund, the net

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Banking Inquiry—

The British banks and sins of omission

A remarkable, but not often remarked on, feature of the Irish banking system in the years immediately preceding the crisis was the large market share enjoyed by foreign, or to be more precise British, banks in the sector. This was in the form of Ulster Bank, a subsidiary of Royal Bank of Scotland; and Bank of Scotland

Ireland, a subsidiary of Halifax Bank of Scotland (HBOS).

The Honohan Report noted that:

"Competitive pressure on the leading banks to protect their market share was driven especially by the unprecedentedly rapid expansion of one bank Anglo Irish, whose market share soared from 3 per

cent to 18 per cent in a decade, growing its loan portfolio at an annual average rate of 36 per cent). Foreign controlled banks, especially the local subsidiary of HBOS, also contributed to increased competition..."

But the Professor gives us no further information about HBOS activities in Ireland. The fact that it barely existed at all in Ireland before 1999, when it acquired State-owned ICC (Industrial Credit Corporation), but by 2008 had a loan book of over €30bn and was regarded as the 4th largest bank operating in the state

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

Printers And The Guilds

Mondragon, Part 46

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Finian McGrath, Senate reform (page 21)

Britain made war on the Irish electorate after it voted to establish independent government in Ireland. And what can be said about that in an academic situation substantially hegemonised by British academia? It is an awkward moral fact about Britain, the effusively moral founder of modern democracy.

The inclination is to grant Britain itself an exemption from the rules of the democracy which it devised for the modern world, and which it has been actively imposing on the world by armed struggle in recent times. But, for decency's sake, the exemption should be granted discreetly, under cover of a fig leaf. And how can that be done with an Election organised and policed by Britain itself at the moment when, at the cost of a dozen million lives, it had made democracy and the rights of small nations the dominant order of things in the world?

It can't be done. So the best thing for all concerned is to drop the Election from the historiographical record, and just deal with the Bang-Bang aspect of things, with which the British conscience can rest easy. The morality of the moralist should not be probed too closely.

An English Professor at University

College Cork, Geoffrey Roberts, suggested, as a measure of reconciliation, that a memorial at the site of the Kilmichael Ambush should honour the Auxiliaries who were shooting up the countryside for good money alongside the IRA men who put a stop to them. That proved to be a step too far, or too soon, but it is the direction in which things have been progressing for a generation.

Professor Roberts is, or was, a member of the British Communist Party. In his basic British dimension he is a strict anti-revisionist. In the Irish context he is a thorough revisionist. What anti-revisionism means in England is upholding the Churchillian view of things with regard to the period in question. Translated into an Irish context that becomes a thoroughgoing revisionism.

The subordinating of Irish history to English interest, especially with regard to the 1916-21 period, has been interrupted by the surge of patriotic feeling that has suddenly overcome so many of the time-servers. But, in order that the revisionist process might resume in few years, the patriotism must impose limits on itself. It can wave flags with abandon. But it must not allow itself to stray into the realm of

thought. Professor Ferriter's warning about hijackers is timely.

The substance of the warning is that Sinn Fein must not be allowed to hijack the Sinn Fein revolution during the next few centenary years when a degree of prudent patriotism is in order.

Why did a varnish of patriotism suddenly become desirable? Obviously because of the resurgence of Sinn Fein.

A resurgence of Sinn Fein in the 21st century! How could such a thing have happened? Sinn Fein is obsolete—comprehensively superseded. It had its moment, and then history moved on to better things. Isn't that what we thought—what we *think*—even though it is patently not the case?

The Sinn Fein Party founded in 1918 won the 1918 Election and between 1919 and 1921 it set up an Irish state. In the first half of 1922 that Sinn Fein Party was broken by the British Government by a combination of concession and extreme intimidation. The State of 1919-21 was set up without British permission and did not recognise British authority. That State was destroyed in 1922-3 and a new State was set up in its place by a section of Sinn Fein acting on British authority and supplied with British arms.

The section of Sinn Fein that set up the Treaty State in 1922 ceased to be Sinn Fein in the course of doing so, but it never after quite knew what else it was.

The opponents of the Treaty remained Sinn Fein until the mid-1920s. They were crushed militarily in the Treaty War but quickly began to pick up popular support again at the end of it. But a proposal to destroy the Treaty State from within, by participating in its Parliament with a view to republicanising it, led to a split. The supporters of this policy, failing to get a majority in the party for it, withdrew and formed Fianna Fail.

Sinn Fein supported Fianna Fail during the next few years, until it won the 1932 Election in the Treaty State, consolidated its position with victory in the 1933 Election, and set about repealing all traces of the Crown from public life.

The Treaty Party (Cumann na nGaedheal, later Fine Gael) during its last period in Government (1927-31) conducted a fierce "law and order" campaign against Fianna Fail/IRA. This campaign led to a decisive shift of the body politic away from the Treaty to Fianna Fail/IRA.

The object of that last Treatyite campaign was no delusion. Fianna Fail/IRA

actually existed as a functional *de facto* alliance.

There was a peaceful transition of political power from the Treaty Party to the Anti-Treaty Party in 1932. The existence of a well-organised and highly motivated IRA was an element that was conducive to peaceful transition.

The Treaty Government did not have an actual monopoly of military force. It had defeated the IRA in territorial warfare in 1922-23 but had failed to achieve the unconditional surrender on which its heart was set. All it achieved was a *de facto* Ceasefire and Dump Arms by the IRA.

The Fianna Fail split with Sinn Fein then produced a very irritating situation for the Government. Fianna Fail entered the Constitutional politics of the Treaty State by subterfuge without losing the support of an Army that was not the Army of the state whose political life it had entered.

The Treatyites might say "*Fianna Fail/IRA*", and be right about it in substance—but Fianna Fail was not the IRA. It was in the happy position of being able to be constitutional within the Treaty State without being powerless against the Treaty Army if ever the need to contest the issue with it by force arose.

And the Treaty Army was not what it had been when Michael Collins put it together in 1922. He had cajoled part of the IRA into the Treaty Army with the story that, once he got the British off his back, and was his own man in the Free State, he would begin to dismantle the Treatyite form of the State and re-republicanise it. But soon after he launched the Treaty War, he seemed to be disoriented by the way it was working out, and he got himself killed in a wild escapade by which he hoped to end it. His successors repudiated his schemes. And those to whom the Treaty had been sold as a Republican manoeuvre were disillusioned.

The actual condition of peaceful transition in 1932 was a confrontation of two Parties, each of which had an Army at its disposal. The Treaty Party could not have chosen to use its Government monopoly of military force to keep Fianna Fail out of Office after it gained a Dail majority, because it did not have a monopoly of physical force—and by its conduct it had been demoralising its own army.

After the Treaty Party lost the 1933 Election, it reorganised itself into a Fascist party, Fine Gael, and raised a Fascist militia, the Blueshirts. The purpose of this was to prevent Communism from

Scholars, Gentlemen And Keeping The Sabbath Holy

It is rumoured that John Paul McCarthy of the *Sunday Independent* will be replacing Carroll Professor Roy Foster at Oxford, when he retires this Summer. Apparently, the Professorship is to be re-titled 'The Foster Chair of Irish History. Ed.

I never buy *The Sunday Independent*, which must have the greatest collection of perverse columnists, all beating the same drum, ever to disgrace a publication. I detest the '*Sindo*' above every other example of evil literature. I was brought up both to enjoy the Sabbath (no chained swings and roundabouts for us!) and to keep it Holy, both impossible after browsing the '*Sindo*'s pages.

Thus it was that I was not familiar with the name or fame of John Paul McCarthy who is to become Foster Professor of Irish History at the University of Oxford.

I saw McCarthy's name appended to a letter in *The Irish Times* last year attributing Sinn Fein's sweeping victory in the 1918 General Election to the intimidation of the electors by that party's followers. The paper had the grace to publish my letter noting that the Professor had presented no evidence to support his assertion, and that John Redmond's party had been found guilty by a tribunal of intimidation and corrupt practices in East Cork, East Kerry and Louth during the two General Elections in 1910. Neither the Professor nor anyone else challenged my comments. And the Professor was not gentleman enough to withdraw his assertion. Only this week did I discover his professional association with the '*Sindo*' or dip into the corpus of his work there.

"*Changing Times*" subtitled "*Ireland since 1898 as seen by Edward MacLysaght*" was published in 1978. MacLysaght was at various times a novelist, historian, a Senator, a Chairman of the Irish Manuscripts Commission and Genealogist. He emerges from his book as a genial gentleman and a genuine scholar and I imagine he had no personal enemies. He kept diaries, and though his comments on the "*Troubles*" of the early 20th century are few, some of them are gems. I'd like to see the '*Sindo*' commentators see how they can rough-hew this diamond—

"Just one thing occurs to me to mention before I put this diary away: an example of how our claim for self-determination of small nations—championed by Britain in the case of the Czechs—is misrepresented by politicians and newspapers there. In quoting statistics for last year's general election they give the total votes cast for and against Sinn Fein only in contested elections, completely ignoring the 25 constituencies where Sinn Fein candidates were returned unopposed, thus presenting an entirely misleading picture." (28 January 1919)

Donal Kennedy

taking over the State. The Treaty leaders seem to have convinced themselves, on the basis of very little evidence, that the IRA had become the Irish agent of Moscow Communism and that it was using Fianna Fail as a respectable front behind which it could get control of the State.

With such an understanding of the situation, how could they have justified themselves in allowing Fianna Fail to slip into Office in 1932 as a minority Government, if they were confident that they had the military means to prevent it without a risk of Civil War—real Civil War this time, unlike the spurious affair of 1922, which had been brought about by British manipulation of Collins?

Treatyite commitment to Parliamentary government by parties elected at regular intervals was not the reason for peaceful

transition in 1932. That was proved in 1933.

As Fianna Fail went about the business of making the 26 Counties independent, it suggested that Sinn Fein should merge with it. That suggestion was rejected. Significant individuals did move from the IRA into constitutional politics in the Free State in the late 1930s on the basis of the substantial Fianna Fail alteration of the state's relationship with Britain, Sean MacBride being the outstanding instance. But the IRA continued in independent existence as the formal enemy of both the Southern State and the provocative Northern Ireland system of the British State, but sometimes as the political ally once more of the Fianna Fail Government.

If the threat of British invasion of the Free State in the early 1940s had been

implemented, it would have been met by a combined Fianna Fail/IRA resistance, but meanwhile the IRA was waging its independent war on Britain, and seeking arms from Germany, and with regard to these activities it was curbed (oppressed) by Fianna Fail.

The IRA came close to being a shambles in that period, through internal disputes, inspired from outside no doubt.

After the World War, the Treaty Party returned to Office for the first time since 1932. It had purged itself of Fascism, and had so far discarded its Treatyism that it formed a Coalition with a new party, Clann na Poblachta, formed by Sean Mac Bride, an IRA Chief of Staff in the 1930s. The Coalition launched a world-wide Anti-Partition campaign, and it broke the last Treatyite link with Britain by declaring the State to be a Republic, and formally withdrawing from the Empire/Commonwealth—which Fianna Fail had neither participated in nor withdrawn from.

The Coalition's Anti-Partition campaign naturally led to some revival in the fortunes of Sinn Fein/IRA, and in 1956 there was an IRA invasion of the North from the Free State. It was a formal invasion and it was not accompanied by a call to insurrection in the North. The invasion force reached North Antrim. There was skirmishing along the Border. There was widespread sentimental support for the invasion in the South, but this did not interfere with the clamp down on the IRA by the Fianna Fail Government.

There was Internment in the North. Sinn Fein prisoners were elected to the Westminster Parliament but their election was declared invalid. A Sinn Fein TD was also elected in the Free State. Then the whole thing blew over, leaving a mood of despondency behind. But the IRA still existed. And, small though it had become, it acted the part of being the legitimate State established in 1919-21. And it enjoyed a kind of privileged existence as the illegal organisation of the state, both for old times' sake and because of the North.

In the mid-1950s I worked in Boherbue Creamery with the only active Sinn Feiner in the Parish. I assumed he was also in the Army. It could be said that he was not taken seriously. Nearly everyone there had been a Sinn Feiner once. (The Redmondites did not bother to contest the constituency with Sinn Fein in 1918.) Then, through the dominance of Sinn Fein, and still within the medium of Sinn Fein, people had taken their particular places in the party-division that is considered

necessary to democracy in modern states.

North Cork around 1950 was a three-seat constituency and it returned Fianna Fail, Fine Gael and Labour TDs. That was practical politics. (I do not recall that Clann na Poblachta made any impression there.)

But my Sinn Fein friend Mick Jack Mack—surnames were not much used—was not despised. He was a reminder of origins—as was the ultra-Republican Brian O'Higgins of the *Wolfe Tone Annual*, whose Christmas Cards were always bought. And he was a reminder of the North. So there was a continuing Sinn Fein stratum in life beneath, or above, the practicalities of party politics. It existed as little more than nostalgic sentiment for the time being, but things were not so fixed and certain that one could not be sure that a reversion to Sinn Fein as such would not again be necessary.

Sinn Fein denial of the legitimacy of the Treaty State, even in its amended form, was not regarded as an actual danger to the State by the people of the two preceding generations, amongst whom I grew up and from whom I got my sense of the reality of these things. They had been through the twists and turns of the preceding thirty or forty years and therefore their understanding was pragmatic rather than doctrinaire—very unlike that of intellectuals shaped by the patronage system of the rat-race of mass University education.

The re-making of Sinn Fein to be a class struggle organisation, after the ramifications of the 1956 Campaign had petered out, obviously threatened its privileged position within nationalist culture. It was something I had no knowledge of, except by way of third-hand rumours. I gathered that a Chief of Staff had got the assistance of Desmond Greaves of the British Communist Party and its Connolly Association front organisation to help with the ideological re-ordering of the Party and Army, so that they would become practical organisations of class politics, with the Republican mystique discarded.

Practical reform politics within a stable Parliamentary regime required that Sinn Fein should sit in the Dail and accept its authority. And I gathered that Northern Ireland was to be regarded as a kind of Irish state and Sinn Fein would sit in Stormont too.

There was resistance to this normalising of Sinn Fein into the Treaty system. There were purges. The conflict came to a head

in 1970 at the Ard Fheis. The modernisers won the vote, and the traditionalist minority withdrew from the party.

Modernity triumphed six months too late. The local instruments of the British State in the North, provoked by the 'Civil Rights' activities of Republicans and other modernisers and normalisers which they interpreted as an anti-Partitionist feint to take them off-guard—and which was that to some extent—broke loose in Derry and Belfast, attacked Nationalist areas, were held in check by extemporised defences, and an insurrection that nobody had planned became an accomplished fact which changed everything.

The pedantic decision, in January 1970, of Marxistising Sinn Fein to become a normal Dail Party, related to a condition of things that had just ceased to exist.

The British State in the Six Counties, which had always been undemocratic—in the basic sense of being excluded from the basic political institutions of the general British state, but which in 1923 had been broken into a routine of sectarian head-counting—threw itself into political flux by its actions in August 1969. The Ulster Unionist Party began to fragment. The Nationalist Party dissolved. The atmosphere was saturated with the imported radicalism of Student Revolution. There was in the subordinate local political life of the state a revolutionary situation, while the general administrative institution of the State directed by Whitehall and sealed off from local politics, continued without interruption.

The pedestrian ideology of the British Communist Party, which had become the ideology of what was about to become Official Sinn Fein, was geared to understanding socio-political affairs in terms of long-range, slow-moving economic determinism. So it proceeded in January 1970 to carry through a reform that had been conceived in a situation that no longer existed. The defeated traditionalists left the party, engaged with the Northern flux, and became the Provos.

Official Republicanism has long gone. After committing itself to constitutionalism in January 1970, it embarked on a bizarre war in what it conceived to be proper Marxist terms but which had no grounds in existing social realities. After indulging in a few atrocities it called a Ceasefire, slowly reverted to constitutionalism, and disappeared into the Labour Party.

Provisional Republicanism—which continued to be so called, even though it

soon became the only actual Republicanism—flourished as a simple anti-Partitionist, anti-Treaty movement for a few years. Its strength in that period was that it refused to be diverted into local war in what came to be called 'the Northern Ireland state'. (Intellectuals of the Official IRA invented 'the Northern Ireland state'.) It remained focussed on the British State, which was the only actual State in the North.

An insurrection against the local arrangements of the British State, supported by a third of the population, proved to be sustainable. But the ending of Partition, taking the Six Counties out of the British state and into the Republic, with two-thirds of the local population (as it was at that time) actively committed to maintaining "*the British connection*" was not achievable.

Sinn Fein therefore adopted the immediate aim of formalising the *de facto* situation of sustainable Nationalist insurrection into an interim Constitutional arrangement. It achieved this in alliance with John Hume—who acted against doctrinaire elements in his own party—and it became the dominant electoral force in the Six County Nationalist community under the 1998 Agreement.

Having consolidated its position constitutionally in the North Sinn Fein extended its constitutional activity to the South, quickly overtook the sad remnant of the Officials, and displaced the Labour Party as the third party in the state.

What part did the Free State play in all of this? (The Free State was the name of the 26-County state in common usage amongst Northern nationalists, whether Republican or not.)

It could play no part. It denied the legitimacy of Partition right from the start, and never bothered to understand the local Six County arrangement that accompanied it.

When Collins took command of 26 Co. affairs in December 1921, he signed the 'Treaty' on his own authority (or that of the Irish Republican Brotherhood), hustled the other delegates into signing it, and then hustled the Dail Government and the Dail itself into accepting it. But he failed to do more than split the IRA, leaving the greater part in opposition. By his signature on the Treaty' he formally accepted both Partition and the new 6-County arrangements.

But then, for reasons which he never explained and which his supporters did not care to examine closely, he made war on Northern Ireland in May 1922, and drew Northern Republicans into the open in support of that war, leaving them to be crushed when he changed tack in June

1922 and made war on the anti-Treaty IRA which had been collaborating with him on the war in the North.

Did he not understand that, in making war on Northern Ireland, he was making war on the British State—with which he had signed a Treaty recognising Partition?

The British Government let him make war on its subordinate local forces in the North for a while, but he overreached himself when he occupied Pettigo, across the Border. He was then met by the British Army. And he was told to go back to Dublin and launch the war for which Britain had given him an Army.

When he got himself killed, his followers dropped his policy of financing Nationalist discontent in the North. His offer to finance Nationalist schools from Dublin was forgotten. In 1925 the ploy of the Boundary Commission, invented by Westminster to help Collins carry the Treaty, was set aside by Dublin in exchange for a bribe. In 1925 there were more signatures implying recognition of the North. But it never went beyond formalities. And, when the Treatyites became Fascist in opposition to the Fianna Fail Government's repeal of the Treaty Oath and its degrading of the Governor Generalship, it did so in strongly anti-Partition terms.

In 1937 Fianna Fail drew up a new Constitution, to replace the Treaty Constitution, and put it to referendum. The Treatyite party (now called Fine Gael) opposed it, on the grounds that its purpose was to establish a Presidential dictatorship, but did not dispute its assertion of *de jure* sovereignty over the Six Counties.

Dublin politicians, journalists and academics never asked why Britain had set up the strange political entity of Northern Ireland in the Irish corner of its state, instead of simply Partitioning the country and having normal British government and politics in the part which it retained. If it had asked, the obvious answer would have been to deter the independent development of the 26 County state by offering the illusion of unity if the South was conciliatory.

De Valera must have understood this ploy, and the Northern set-up, better than he pretended to, because he chose independence unhesitatingly, ignoring the will o' the wisp of negotiated unity.

In 1966 his successor, Lemass, met the new Ulster Unionist leader, Captain O'Neill, and he put pressure on the Six County Nationalist Party to take up the role of Official Opposition (Loyal Opposition?) in the Stormont Parliament. But

Lemass did not propose to delete the assertion of sovereignty over the North from the Southern Constitution. And there was nothing for the Nationalist Party to do as Loyal Opposition, because Stormont was not the Parliament of a state; and all the major business of legislation for the Northern Ireland region of the British state was done at Westminster.

Captain O'Neill, by acting as if he was Prime Minister of a state, put the Northern system to a test it could not bear, and generated the illusory medium in which the collapse of 1969 occurred.

The new IRA which grew out of the collapse of the devolved Northern system—the Provisional IRA which long outlasted the Official one—at first directed its efforts directly at Partition. When it became evident that that was unachievable, it aimed for an interim arrangement within the Northern Ireland system. The changes made by that re-arrangement were felt as real in the experience of actual life in the North, regardless of what theorists thought of them. Doctrinaire anti-Partitionists for whom the ending of Partition immediately was an all or nothing issue—e.g. Anthony McIntyre and Mairia Cahill—went into diehard opposition to the settlement and set out to damage Sinn Fein by *exposés*, in alliance with anyone who would ally with them against the traitor, Gerry Adams.

Micheál Martin, leader of Fianna Fail in its condition of post-traumatic stress disorder, lent them a sympathetic ear. Sinn Fein is his constitutional rival and he finds it difficult to cope with it constitutionally. His only recourse seems to be to try to undermine the Northern arrangement with the help of die-hard dissidents from the Provos and blame it on Sinn Fein.

Sinn Fein has spread out beyond its Northern fastness. And so Professor Ferriter warns us that Sinn Fein will probably hijack the centenary of the Sinn Fein revolution.

Others should be allowed to play a part in it too, since they played a part in the event itself. There's the *Irish Times*, which in 1916 urged the Government to cut deeply into the Republican cancer that had appeared in the Home Rule body politic—not that it actually approved of Home Rule, you understand. And there's the *Irish Independent*, which was angry about the delay in shooting James Connolly . . .

Brendan Clifford

Fianna Fáil, The Irish Press And The Decline Of The Free State, by B. Clifford. 172pp. ≈15, £12, postfree

Shorts

from
the Long Fellow

ENTREPRENEURS IN IRELAND

According to Global Entrepreneurship Monitor (GEM), Ireland's level of entrepreneurship is below the EU average (see Dan O'Brien, *Sunday Independent*, 27.9.15). GEM measures the level of entrepreneurship by the percentage of the adult population either planning a startup or in the first years of such an enterprise. The EU average is 7.7%, while Ireland has a rate of 6.5%. There is no measure of the success or otherwise of these start-ups. Apparently, the mere fact of being an entrepreneur is its own reward!

Dan O'Brien in his commentary suggests that we should pull up our socks. But a glance at the league table would make the reader wonder about the value of such statistics. The United States and Australia are at the top of the class, but France, Germany and Denmark are in the "relegation" zone. Finland and Norway are behind Ireland. Sweden is just ahead of Ireland but still below the European average. Meanwhile Greece and Portugal are well above the EU average.

The obvious conclusion to be drawn from the statistics is that there is no correlation between the level of entrepreneurship (as measured by GEM) and a country's economic well being!

MCWILLIAMS ON WEALTH

There is a sentiment in the country that an "elite" or some such shadowy group is responsible for the country's economic woes and therefore it is somehow unjust that ordinary people should have to pay taxes. The Long Fellow thinks that David McWilliams in his documentary *Ireland's Great Wealth Divide* (RTE, 21.9.15) panders to this view.

The documentary describes the economic cycle of boom and bust as if it was some novel phenomenon. But it is as old as capitalism itself and was most vividly described by Emile Zola in his nineteenth novel *Germinal*. Large capitalists survive and small capitalists are made bankrupt, but in Ireland it was not just the small capitalists who suffered. The American billionaire, Warren Buffet, lost a fortune on Irish Bank shares, while on the other hand Wilbur Ross, made billions on the upswing.

McWilliams suggests that the Irish taxpayer through NAMA subsidised the profits made by billionaires during Ireland's recovery. The convoluted argument goes something like this: NAMA sold its assets too cheaply to American vulture funds. It could do this because it bought them too cheaply from the State owned banks *at the taxpayers' expense*.

But, as with so much commentary on our recent economic history, McWilliams is evaluating past decisions with the benefit of hindsight. At the time that NAMA bought the loan assets off the banks it was widely believed that it had paid too much and would end up losing billions. Indeed that was McWilliams' view. Here is what he wrote in 2010:

"The latest news that some development land in Athlone valued in the boom at €31m is now worth only €600,000 has truly terrifying implications for all of us, because it means NAMA will bankrupt us" (*Irish Independent*, 24.2.10).

It now seems certain that, far from bankrupting us, NAMA is likely to make 1.7 billion Euro worth of profit. Now the complaint is that it could have made even more if it had sold at higher prices.

About a year ago Ian Kehoe, now the Editor of the *Sunday Business Post*, had an interview with Wilbur Ross. He accused Ross of operating a vulture fund. The American billionaire replied that most economic commentary on Ireland in the years 2008 to 2010 was incredibly negative. If he had taken this seriously he would never have invested in the country. However, his own research indicated that the analysis was "superficial". People now resented the fact that he was right and the commentators were wrong.

The negative portrayal of the country facilitated the enormous profits made by foreign venture capital funds. Instead of blaming NAMA or the venture capitalists, perhaps the doom merchants in the media should look closer to home.

NAMA

When the *National Asset Management Agency* (NAMA) was set up commentators in the media dismissed it as a bailout for developers. But for most of its existence it has been attacked in the media and the courts by those self same developers, which leads the Long Fellow to think that it must be doing something right. Perhaps the most virulent newspaper critic of NAMA has been the *Sunday Independent*, which has been relentless in airing unsubstantiated allegations. Its leading business columnist, Shane Ross TD, has also used his membership of the influen-

tial Public Accounts Committee to bolster the newspaper's anti-NAMA—which largely consists of personalised attacks on the Chief Executive Brendan McDonagh and Chairman Frank Daly (apparently they are "colourless").

The cult-like unanimity which the newspaper's journalists—such as ex Official Sinn Féin supremo Eoghan Harris—maintain is quite impressive. When property developer Johnny Ronan compared his treatment at the hands of NAMA to that of the Nazis there was no dissent from the *Sunday Independent's* party line. The newspaper's resident leftie Gene Kerrigan was prepared to give him a fool's pardon:

"We're dealing here with Johnny. And Johnny might have found the "Arbeit macht frei" maxim in a Christmas cracker. Johnny might well be right now asking his mates who's this Andrew Hitler from the Nasty Party, and what're these conciliation camps people talking about" (*Sunday Independent*, 27.9.15).

NAMA IN NORTHERN IRELAND

There may be dodgy dealings in Northern Ireland, but there is no evidence of impropriety by NAMA. In a recent report on RTE's *Prime Time* it was suggested that the NAMA Chairman was only looking at the sale from the vendor's point of view. But NAMA is the vendor; it cannot be held responsible for the purchasers' behaviour.

NAMA put up for sale loans with a par value—according to some media reports—of about 3.7 billion pounds sterling. This is interesting but not really relevant. The real issue is how much of the portfolio of loans is realisable at the time of the sale and over what period of time.

NAMA sold the portfolio for 1.4 billion pounds in April 2014. It is reported that the purchaser will make a 200 million pound profit which gives a return on capital of about 13.5%. If NAMA knew then what it now knows it might have obtained a higher price. But no one knows for certain what the future holds.

NAMA AND THE DUP

What has emerged in the course of the reporting on NAMA's activities in the North is the close relationship that senior DUP figures have with property developers. It appears that politicians from that Party were canvassing NAMA to waive personal guarantees that developers might have made on the loans. To NAMA's credit it refused such requests arguing that this would be tantamount to writing a "debtors' charter".

One of the personalities on NAMA's

advisory board was Frank Cushnahan, who is a close associate of the First Minister Peter Robinson. NAMA claims that Cushnahan was not privy to confidential information from NAMA. Also when it learned that Cushnahan would be given a "success fee" of 5 million pounds if one of the bidders purchased the loan portfolio, it refused to accept the bid, even though Cushnahan was no longer on NAMA's Advisory Board. It appears that Cushnahan was also involved with the successful bidder, an American company called Cerberus. The latter company paid 7.5 million pounds to a Northern Ireland legal firm called Tughans. 6 million of this ended up an Isle of Man bank account. It has been alleged that among the intended beneficiaries was Peter Robinson.

The Long Fellow is extremely sceptical of this allegation. Business people don't give money to politicians for no reason. If Robinson received money he must have provided some service. But there is no evidence that he had any influence on NAMA or the price at which the loan portfolio was sold.

Unless new evidence emerges, the Long Fellow can only conclude that the 6 million in the Isle of Man bank account is about nothing more prosaic than greedy and highly paid professionals being involved in the grubby business of tax evasion.

CREDIT UNION "RECOVERY"

The evidence keeps mounting that the financial crisis in Ireland was not as bad as first appeared. The current impressive growth figures are nothing more than a re-balancing of the economy after an over-correction during the crisis.

It now turns out that the crisis in the Credit Union sector was not quite as large as was thought a few years ago. The Credit Union Restructuring Board (Rebo) had set aside 250 million euro to fund "restructuring" (a euphemism for closing down bankrupt branches). It now appears that only 20 million will be spent for this purpose before Rebo itself winds up in March of next year.

The following letter of 19th October failed to be published in the *Irish Times*

David Fitzpatrick

David Fitzpatrick's nit picking review (Books, 17th October) has made me want to read Paul Taylor's 'Heroes or Traitors', on 'southern Irish soldiers returning from the Great War' (Liverpool, 2015).

Fitzpatrick's complaint that the book 'chooses to ignore or downplay' Northern Ireland seems churlish, since it ignores what the book says on its cover. A similar observation could be made, accurately, about the David Fitzpatrick edited collection, 'Terror in Ireland, 1916-1923' (Lilliput, 2012). It is asserted also that 'few Irish archives or newspapers are cited', without the reviewer citing one that might challenge Taylor's argument. Also, 'many relevant studies' are allegedly 'absent from the bibliography', without giving a single example.

I am at a loss to understand how Professor Fitzpatrick can justify asserting that the book's subject matter is 'one of the least understood and most understudied stories of modern Irish history'. Jane Leonard, whom Fitzpatrick mentions, has been attempting to study and to understand it since 1990. I have in my possession a very fine piece of historical research by Fergus D'Arcy, 'Remembering the War Dead' (2007, OPW). In 457 pages it chronicles the complicated story of official southern remembrance and is still available from the OPW online.

I suspect that the Taylor book's conclusion with regard to an absence of republican persecution did not find favour with your reviewer. That finding joins a growing historical consensus (excepting those for whom a contrary view has become an article of faith) asserting that in general Protestants were similarly unaffected. Veterans of World War One and also Protestants were said by the late Peter Hart (whose work Professor Fitzpatrick also notes) to have been subject to attack. It now appears that that extensively traveled historical pathway has proved to be a cul-de-sac. However, I am sure the journey has pointed to other fruitful directions for research.

Niall Meehan

Remembrance?

For two weeks or so in November, the Kilkenny Great War Memorial Committee invites members of the public to "SIT WITH THE SOLDIERS" among a display of about three thousand British military memorial crosses on the Courtyard lawn of Kilkenny Castle.

Each of the crosses is intended to commemorate a Kilkenny participant in World War 1. Many of us are related to these participants.

Most of the British participants in the war were conscripts who had little choice except to fight.

Our own Kilkenny forebears, on the other hand, were not forced to engage in the slaughter of Germans, Austrians, Hungarians, Czechs, Slovaks, Bulgarians and Turks; none of whom had ever done any harm to them or to this country.

The violence and killing done by our forebears in 1914-18 was completely voluntary.

However, a century has passed and, regardless of their guilt, it is now time to pardon them for what they did.

But the least we can do to make amends is to remember the people they killed for no good reason.

So how about crosses for their victims?

Peadar Laffan

Letter, *Kilkenny People*

BOOK LAUNCH
"IRISH BULLETIN"
Volume 3
(1st September 1920
- 1st January 1921)
at
The Ireland Institute
27 Pearse St, Dublin 2

Eamon Ó Cuiv TD
and Prof. Cathal Brugha
Thursday
26th November 2015,
7.30pm
All welcome

Cumann Uaigheann na Laochra Gael / National Graves Association

TO: THE EDITOR, IRISH POLITICAL REVIEW
FROM: MATT DOYLE, NATIONAL GRAVES ASSOCIATION
RE: AUGUST EDITION ARTICLE BY JOHN MORGAN.

13TH OCTOBER 2015.

A Chara,

It was heartening to read John Morgan's excellent article on the 'Men of No Consequence' in the August edition of the Irish Political Review. It recounts the events of the Civil War in Kerry and in particular the siege at Clashmealcon Caves and the terrible aftermath of that tragic episode in April 1923. The author recalls the particular sacrifice of Vol. Reginald Hathaway, an English soldier who deserted and then fought heroically to defend the Irish Republic, eventually facing a firing squad in Tralee's Gaol. The reader is finally asked to consider what did happen to the remains of Reg Hathaway, the *nom de guerre* of Walter Stenning and a native of Slough in England, and he suggests that they were returned to his native town.

The author will be pleased to learn that Reg Hathaway is buried in the Republican Plot of Rahela Cemetery in Ballyduff, Co Kerry. His body was initially buried in the Ballymullen Barracks, Tralee together with Ned Greaney and Jim McEnery who were executed with him. In October 1924, Hathaway's remains were re-interred in Ballyduff following a funeral attended by thousands. His parents were regular visitors to North Kerry in the years following their son's death where they appreciated the honoured position that their son had in the memory of the people of Kerry. Today his well-maintained grave stands in testament to the respect that this soldier of the Irish Republic still commands. His sacrifice is also recalled on the monuments at Ballyseedy, Ballymullen Gaol and Ballyduff village.

The story of Reg Hathaway and over 160 Kerry men who died in the fight for Irish Freedom in the last century is chronicled by Tim Horgan in the recently published book *'Dying for the Cause—Kerry's Republican Dead'*. This acclaimed and well researched publication details the individual stories of each volunteer, many of whose brief but heroic lives had almost faded from memory. It was published by Mercier Press in March 2015 and is available in all book shops nationwide.

Le gach dea ghúí
 Matt Doyle
 National Graves Association

Mea Culpa

In regards to *Men Of No Consequence*, published in the *Irish Political Review* in August, I wrongly speculated that Rudge Hathaway may have been buried in his home town, Slough, in England. In a kind letter from the National Graves Association, Matt Doyle has put the record straight. Reginald (Rudge) Stephen Hathaway was a *nom d guerre*. His real name was Walter Stenning, a former British Army soldier who fought for the Irish Republic in the War of Independence and the Civil War. He was captured in action in Clashmealcon Caves in North Kerry in April 1923, in Cogagh na mBráthar (The War of the Brothers, civil war), after which he was tortured and brought, a prisoner, to Tralee. There, in Ballymullen Barracks, he was executed by firing-squad, along with his surviving comrades, Ned Greaney and Jim McEnery. Timothy (Aero) Lyons, Tommy McGrath and Patrick O'Shea had already perished, killed in action (KIA), at Clashmealcon.

Rudge Hathaway was then buried in Ballymullen and re-interred in the Republican plot of Rahela Cemetery in Ballyduff, Co. Kerry, in October 1924. It is most gratifying to hear from Matt Doyle that re-interment was attended by thousands and that his grave is well-maintained and stands in testament to the respect that he, a soldier of the Irish Republic, still commands. It is most satisfying, too, that his parents were regular visitors to North Kerry in the years following their son's death, where they appreciated the honoured position that their son had in the memory of the people of Kerry. He is recalled, too, on the magnificent monument at Ballyseedy, Tralee and in Ballymullen Gaol and Ballyduff village.

He lies now buried in the midst of the people he sought to serve. It is a hurling pocket in Ballyduff. The sound of the sliothar being struck can be heard. The River Cashen flows nearby, its dark waters sometimes broken by the plop of a leaping salmon. Greyhounds, many champions, are bred hereabouts. The sound of hurdy-gurdys and bumpers comes from the fair-grounds of Ballybunion, where a maze of bleached roads brings trippers to their mecca. It is good to think that some might stay for a moment in Rahela.

Dying For The Cause—Kerry's Republican Dead, by Tim Horgan, published by Mercier Press, March 2015, will further add to the store of knowledge. It is reputed to be detailed and comprehensive and may fill many a void. Some 160 Kerry men died in the struggle in the last century. Now, another can be added: Rudge Hathaway, an honorary and honourable inclusion, already known to the perceptive.

John Morgan (Lt. Col. Retd.)

The Chance To Read Connolly Unmediated

The weekend of October 9-11th saw the Irish Labour History Society, with the support of SIPTU, hold a Conference in Liberty Hall on the theme of *"Labour in 1915: on the cusp of the 2 Revolutionary Year"*. The occasion also saw the launch of *"Rosie: Essays in Honour of Rosanna 'Rosie' Hackett, Revolutionary and Trade Unionist"*, edited by Mary McAuliffe. Earlier that week, at its Biennial Delegate Conference in Cork, SIPTU itself had launched *"The Workers' Republic: James Connolly and the Road to the Rising"*, edited by Pádraig Yeates. That Yeates finds much of what Connolly wrote in the "Workers' Republic" distasteful can be surmised from the editorial introduction, wherein he tut-tuts that *"Connolly developed a somewhat rose-tinted view of Imperial Germany, contrasting its 'progressive' capitalism with the 'pirate' capitalism of the British Empire"*. He repeated that line in his *"Irishman's Diary"* in the *"Irish Times"* on October 17th, that the paper portrayed *"a rather rose-tinted view of Germany's 'progressive' imperialism as opposed to Britain's 'Brigand' version"*. Of Connolly's earlier editorship of *"The Worker"* he writes disapprovingly:

"Not surprisingly, 'The Worker' was suppressed by the censor after Connolly advised readers on the outbreak of war that 'Should a German army land in Ireland tomorrow we should be perfectly justified in joining it if by doing so we could rid this country once and for all from its connection with the Brigand Empire that drags it unwillingly into this war'. The 'Workers' Republic' was even more explicit ..."

There is no better chronicler of social conditions in Dublin during that decade of conflict than Pádraig Yeates. But what of his attitude to the 1916 Rising itself? In his *"Irish Times"* article Yeates goes on to say that the paper *"was also relentless in exposing the conditions of workers"*. By way of example:

"There are reports of the sterling work of Labour Party members of Dublin City Council such as Richard O'Carroll and William Partridge, who both died as a result of their involvement in the Easter Rising."

Sounds like suicide by Rising! No mention of the fact that, when Captain Bowen-Colthurst of Dripsey Castle captured Richard O'Carroll in Camden Street,

he took the arrested Carroll into a backyard and shot him through the lung, making O'Carroll no less a murder victim of Bowen-Colthurst than Francis Sheehy Skeffington. But, then, Yeates's approach to the Rising is quirky, to say the least. In the October 2013 issue of *"Irish Political Review"* I reported how, at a Liberty Hall meeting on the Rosie Hackett Bridge the previous month, Yeates pronounced that the powerful impact of the 1916 Rising on Irish society had been *"a total disaster"*. This time, however, Yeates pronounced that the Rising did have beneficial results. The country had been awash with arms, but the complete nationwide surrender of those arms by the Irish Volunteers following the defeat of the Rising meant they were not available for the War of Independence that followed, thereby minimising both its military effectiveness and resulting fatalities.

Yet this October's Labour History Conference was a very healthy one, with a free exchange of views. Ulster Unionist politician Chris McGimpsey provided the view from Northern Ireland. But, when speaking of the Connolly-Walker conflict, he spoke of *"Connolly's nationalism and Walker's internationalism"*. I later questioned him on this: Surely the only way Walker could be described as an internationalist would have been if he had been a 'two nationalist' prepared to acknowledge the right to self-determination of that other nation under his nose, which he wasn't, and McGimpsey conceded that this was a reasonable criticism of Walker.

Mary McAuliffe, speaking of the women of 1916, highlighted an exciting project to honour the 77 women detainees in Richmond Barracks, not only by chronicling their individual stories, but also with a memorial. One of the names, concerning whom no other information was yet provided on the project's website, particularly intrigued me. Could Barbara Retz have been in any way related to the George Reitz, with a slightly different surname spelling, the German pork butcher, whose South Circular Road shop had been ransacked by a Redmondite racist mob on Hibernian Day, 15th August 1914? Micheal O Maolain of the Irish Citizen Army had written an eyewitness account for the *"Irish Worker"* of the pogromist attack on the Reitz premises, vowing that

the ICA would step in to protect German immigrants from any repeat attacks. It would not have been surprising, therefore, if a member of the Reitz/Retz family had been assumed to have been an ICA sympathiser/associate in 1916. I posted my account of the 1914 ransacking to Mary McAuliffe who, in turn informed me that she had located a 1911 Census Return for Dufferin Avenue, listing a George Reitz, a German-born pork butcher, and his German-born wife, Barbara Reitz. So, mystery solved.

I had been the first to draw attention to these Redmondite racist mob attacks in a paper entitled *"James Connolly Re-assessed: The Irish and European Context"*, which I delivered to the Dr. Douglas Hyde Conference in July 2001, and which was published as a pamphlet by the Aubane Historical Society in March 2006. I repeated most of the same paper in a May Day 2006 lecture to the Cork Council of Trade Unions, entitled *"The Justification of James Connolly"*. This was published by SIPTU in September 2006 in a pamphlet entitled *"James Connolly, Liberty Hall & the 1916 Rising"*, edited by Francis Devine and myself.

This October's Labour History Conference allowed me several bites of the cherry in addressing such issues, not only from the floor but also from the platform, as I was drafted in as a last minute substitute for *"History Ireland"* Editor Tommy Graham, scheduled for a Hedge School panel discussion sponsored by his magazine, but which he was unable to attend. One contribution cited Irish Citizen Army veteran Frank Robbins as quoting Larkin denouncing Connolly's involvement in the 1916 Rising, but Larkin's contradictory outbursts were rightly rubbished by other contributors. Several other contributions spoke approvingly of Lenin's justification of the Rising, but also of his *caveat* that "the Irish rose too soon". I intervened to say that while I welcomed the rubbishing of Larkin's *râiméis* on 1916, it was high time to cease the reverential veneration of Lenin's *râiméis*, with his own variation of *"Irish Labour Must Wait"*, that is, *"Connolly Should've Waited!"*. The point is that Connolly's timing was perfect. Conscriptio was imminent, which is the very reason he publicly urged insurrection. There is now a workerist myth that it was a peaceful one day General Strike that prevented conscription in 1918, but what Britain saw behind that was the changed will of a risen people in the wake of 1916, prepared to resist conscription by force, if necessary.

There were several disagreements between Padraig Yeates and myself. But I welcomed his editorial commitment to the SIPTU publication of a full facsimile reproduction of the "*Workers' Republic*" run. Before his death in 2012, Donal Nevin had made a valiant effort to produce the *Collected Writings of James Connolly* over three volumes. In his third and final volume, published in 2011 and entitled "*James Connolly: Political Writings 1893-1916*", Nevin wrote (pages 673-4):

"The first series of 'The Workers' Republic', edited by James Connolly, was published between 1898 and 1903. A new series also edited by James Connolly, was published at Liberty Hall Dublin from 29 May 1915 to 22 April 1916. There were 39 issues of the new series of 'The Workers' Republic'. Connolly contributed 126 articles to the paper; thirty-four of the articles are included in this volume."

At the end of his life, Donal Nevin had done his very best. There was no censorship in what he encountered as an overwhelming volume of articles from which to select. The essentials of Connolly's stand were honestly reflected. But omitting two thirds of Connolly's articles inevitably had its drawbacks. One key editorial entitled "*Economic Conscript-ion*" was included, but a second important and reinforcing editorial, with the same title, was not. More important, Connolly's reportage on the course of the War was not. Hence the invaluable contribution by SIPTU in producing a facsimile of every single page. It is, of course, accompanied by Padraig Yeates's one page introduction, in somewhat disapproving tones. But it is also accompanied by a five page essay by Conor McNamara of National University of Ireland, Galway, which, as a narrative, does full justice to reflecting, with integrity, the full reality of the stand taken by Connolly.

More important, it also starts off with a Foreword by SIPTU General President Jack O'Connor which is a resounding condemnation of Redmondism. This SIPTU facsimile reproduction of the full extant run, 1915-1916, of "*The Workers' Republic*" is available from SIPTU Communications Department, Liberty Hall, Dublin 1, for €30 (paperback), including post and packaging.

Manus O'Riordan

Another middle class budget

continued

debt position will be about 80%.

Unemployment has dropped from a peak of 15% in 2012 to a current rate of 9.4%. It is expected to fall to 8% by the end of 2016.

If the Government were told back in 2011 that it would face a General Election in 2016 with the above economic conditions it would have considered such a prospect beyond its wildest dreams. And yet if the opinion polls are to be believed it remains unpopular.

It appears that the electorate does not consider that there is a causal relationship between the actions of the Government and the economic recovery. While the judgement of the voters seems harsh, it is not easy to identify specific measures by the Government which have contributed to economic growth. Past successful Governments could point to policies such as Social Partnership; the Irish Financial Services Centre; Low Corporation Tax; peace in Northern Ireland, which have contributed to economic growth.

But what achievements can be laid at the current Government's door: the cut in the VAT rate for the catering industry?! In the present writer's opinion this had a marginal effect on employment. Other positive reforms, such as the Property Tax and Water Charges, were foisted on the Government by the Troika and the previous Government. After a rather ropey start, the Property Tax has been implemented successfully. The Government had the good sense to take away responsibility for collection from Local Government to our highly efficient tax authorities. The setting up of Irish Water was a more ambitious project since the ultimate objective is to charge for water based on usage. This is not a task that our tax authorities are equipped to perform. While the overall objective of setting up Irish Water is—in the present writer's opinion—desirable, can anyone claim that the Government's implementation was in any way efficient or effective?

The strength of the economic recovery has three causes. Firstly, there was an over

correction during the downturn. It is true that the economy was too dependent on the building industry during the boom, but we now have a housing shortage. In the last three years there has been a substantial increase in activity as the economy scrambles to recover lost ground.

A second factor has been the benign economic environment. The weakness of the Euro has helped exporters. The decline in oil prices has reduced costs. Also, low interest rates have benefited both householders and Government (but not in this writer's experience business). Michael Noonan made the point in his budget speech that it was projected that interest costs on the National Debt would amount to 10 billion euro for 2015. The actual figure is likely to be less than 7 billion.

A third element in the economic recovery *does* relate to the Government. It has provided political and economic stability. It has held its nerve for the last five years. While it has not been particularly innovative, it has avoided doing anything really stupid. That must redound to its credit when it is considered the amount of wild prescriptions that were aired in the media.

The Government has kept control of the public finances. Public expenditure is expected to increase by only 2% from 2014 to 2016. There has also been a dramatic rise in tax revenue. But here again, the revenue increase has had very little to do with anything the current Government has done. The much despised USC (Universal Social Charge), which was introduced by the previous Government, has raised 4 billion euro a year (about 10% of the total tax take). There has also been a large increase in Corporation Tax (up 32%). Part of this has been due to tax buoyancy, but the Chairman of the Irish Fiscal Advisory Council John McHale has said that we don't really understand the bulk of this increase. Our dependence on foreign capital makes this item subject to wild fluctuations. The current Government has been able to avoid increases in the income tax rates. In short, by doing very little there has been a dramatic increase in tax revenue.

If, as the opinion polls suggest, the Government has not been given credit for the recovery, a second concern from the Government's perspective is that the

On-line sales of books, pamphlets and magazines:

<https://www.atholbooks-sales.org>

'ungrateful' voter doesn't feel an improvement in his economic well being. This complaint applies to people who didn't lose their job during the recession and have had a diminution in take home pay: the so-called "squeezed middle". This budget was an opportunity for the Government to spread the benefits of the economic recovery.

There are two ways of doing this: improve public services or reduce taxation/service charges. The most popular campaign against the Government—led by the so-called "left" opposition—has been against Water Charges. The Opposition has also been able to mitigate the effects of the Property Tax. So, it would seem that the electorate consider increasing disposable income more important than improving public services.

The problem with reducing taxes/charges is that such a policy usually benefits higher income earners the most, since they tend to pay more taxes than lower income earners. In theory, increasing Tax Credits would benefit all tax payers equally, but many low income earners pay little or no tax anyway. Also, Tax Credits cannot be set off against the Universal Social Charge (USC).

The Government decided to leave the tax rates unchanged, but to reduce the USC. It is difficult to avoid such a policy benefitting high income earners the most. Nevertheless, the Government made a decent attempt to give a greater proportionate benefit to low and middle income earners. The following are the changes in this area:

a) Entry level for the USC raised from 12,012 to 13,000 euro

This benefits the very low paid without giving any benefit to higher income earners. Interestingly, Michael Noonan claimed in his budget speech that 700,000 income earners will not have to pay the USC in 2016. This seems very high when it is considered that there will be about 1.97 million in employment. Presumably, a substantial portion of the 700,000 includes individuals relying on the State Pension, but there must be a substantial number of people engaged in part-time work or back to work schemes. Many of these are 'underemployed', but don't show up in the unemployment figures.

b) Lower rate of USC reduced from 1.5% to 1.0%

Once an income earner exceeds the entry level of income of 13,000 euro the first 12,012 of income is subject to this rate.

c) 2nd lowest rate reduced from 3.5% to 3%.

d) USC band subject to the 2nd lowest rate will increase from 5564 to 6656

e) 3rd lowest (i.e. 2nd highest) rate reduced from 7% to 5.5%

f) USC band subject to the 2nd highest rate will reduce from 52,468 to 51,376

g) There was no change in the highest rate (8%) for incomes over 70,044 euro.

Since there was no change in the income tax rates or bands the changes in the USC will have the most significant impact on disposable income.

Let's examine the effects on four arbitrary income levels: individuals on a salary of 25k (a low income earner); 35k (close to the average industrial wage); 70k (a professional's salary); and 100k (a high income professional).

The increases in disposable income are as follows:

Income euro	Increase euro	Increase as % of Gross income
25k	226	0.9%
35k	376	1.1%
70k	901	1.3%
100k	902	0.9%

The income group that has benefited most from the change in percentage terms are those on an income of 70k. The marginal benefit ceases at a salary of 70,044 so the benefit is capped at 902 euro. Accordingly, as a person's salary increases above 70,044 the percentage gain diminishes.

The Opposition is a little harsh in describing the budget as benefiting high income earners. But the people who did benefit the most are those just above average income. There is a case for defending this policy. Modest incomes are subject to quite onerous tax rates. Once an individual reaches a salary of 33,800 his marginal tax rate goes up from 20% to 40%. A single income married couple goes on to the higher rate at 42,800. Even after this budget he will be subject to PRSI of 4% and USC of 5.5% giving a total marginal rate of 49.5%. This is a very high rate by international standards on a relatively modest income.

The Government resisted pressure to reduce the top rate which, when combined with PRSI and USC, amounts to 52% on income greater than 70,044 euro. However, it felt the need to help entrepreneurs. The present writer sometimes thinks that, while the Budget is an

important item in the political calendar, it cannot solve all economic problems. Accordingly, the Government is often tempted to adopt token measures in order to say it did something. Changes in the tax system are not going to encourage an entrepreneurial culture.

At present the Capital Gains Tax (CGT) rate is 33%. This seems about right: about half way between the standard rate of 20% and the higher rate of 40%. The Government decided to reduce the Capital Gains Tax rate from 33% to 20% for gains on a sale of a business up to a limit of 1 million on chargeable gains. This writer doubts that this will have any economic effect other than to reduce Government revenue.

Another token measure was the introduction of a 550 euro tax credit for the self employed and farmers. This was sold as a means to encourage enterprise. But in most cases such people are IT contractors, accountants and lawyers in practice. These people are not likely to create employment. Entrepreneurs who create employment set up companies. This credit is of no benefit to them.

In another "goody" for the middle class there will be an increase in the parents to children tax free inheritance threshold from 225,000 to 280,000. This is unnecessary.

There was an increase in the minimum wage from 8.65 to 9.15 euro an hour. This is to be welcomed. Of course, it will be paid by the employer rather than the State.

There was a myriad of other measures: many of them a partial reinstatement of benefits that were originally cut, which makes one wonder about whether there is any coherent long-term strategy. Child Benefit was increased for the second year in a row by 5 euro to 140 euro a month per child after it had previously been cut. The Christmas Bonus for welfare recipients will be restored to 75%. It was 25% last year. The respite grant for carers was restored to its previous level of 1,700 euro. There will be free pre-school child care for children from three to five and half years or until they reach primary school. The State Pension will increase by 3 euro a week. All of these are to be welcomed.

There was very little done for the homeless. The Government plans to invest in housing. NAMA will deliver 20,000 residential units by 2020. However, there may be a need for more short-term solutions. The Government has resisted the calls for an increase in rent supplement on the grounds that it is a subsidy to landlords and will fuel rent increases. But

sometimes a short term 'sticking plaster' might alleviate a severe wound.

CONCLUSION

The comments concerning this budget could apply to previous ones from this Government. It benefits the middle class the most. Also, it is another politically astute budget. There are no banana skins. The media remarked that for the first time in many years there were no protests outside Leinster House on budget day. While the Opposition has accused the Government of implementing an Election budget, it would be difficult to conclude that the Government has been extravagant. The debt as a percentage of GDP continues to decline.

While current opinion polls show the Government will not be returned, as the election approaches it may recover some lost ground. The voters do not love this Government but they may conclude that any alternative could be worse.

John Martin

The British banks and sins of omission

continued

(after AIB, BoI and Ulster) is surely worthy of some comment.

The Professor does a body swerve worthy of George Best on the issue, but the *Indo's* take some years ago sums it up:

"However, despite its success in the mortgage business, BoSI remained primarily a business bank. If it wanted to get big in retail it needed a branch network.

However, instead of buying someone else's branches for a huge premium, Duffy {CEO of BoSI 1999-2009, SO} did something completely different. In 2005, he paid the ESB £120m for its chain of electrical goods shops and turned them into BoSI retail branches.

It now has 41 branches, which were rebranded Halifax, Bank of Scotland's main UK retail brand, in 2006.

While Duffy may have resisted the temptation to splurge on a big trophy acquisition, he did grow BoSI's loan book from just £5.3bn at the end of 2001 to £32.1bn by the end of 2008, a more than six-fold increase in just seven years" (*Irish Independent* 24.10.2009)

While Irish banks have been roundly criticised for their lax lending practices in the pre-crisis period, those practices came into being as a result of market competition which almost everyone, outside of the Irish banking sector itself, applauded at

the time. The most aggressive competition within mainstream banking came precisely from the two British banks mentioned above, and took the form of mortgages at 100% loan-to-value (i.e. no deposit), interest-bearing current accounts, low margin 'tracker' mortgages on which all banks now lose money, the easing of mortgage application criteria via brokers etc. The Irish banks were obliged to follow suit or faced losing even more market share.

It is entirely disingenuous of Professor Honohan to blame Anglo-Irish for the "competitive pressure" on the Irish banks. Anglo was a niche lender. It financed a relatively small number of borrowers for very large amounts of cash, for specific projects, and charged a very large margin in doing so. It was scarcely involved at all in the residential mortgage market, did not offer normal retail banking services to any significant degree, and had little exposure to business lending.

HBOS on the other hand had definite aspirations to become a major "full-service bank" and was therefore competing toe-to-toe with the Irish banks in this market.

It would have been useful to have had evidence from Mark Duffy, the former Chief Executive of BoSI, during the Inquiry, but, for whatever reason, that did not happen. As a result we are left with the impression, once again, that it was all about Anglo. Fortunately, the UK Parliamentary Commission on Banking Standards was not quite as dismissive of the significance of HBOS' activities and subsequent losses in Ireland and considered them in some detail in a report entitled 'An accident waiting to happen: The failure of HBOS'.

It states:

"...concentrating particularly in Ireland and Australia. ... {the HBOS} Board set ambitious targets for market share gains from strong local incumbents.

The fastest growth took place in Ireland, where HBOS aspired to become "the No.1 business bank during 2005", with the overall strategic goal of becoming "the fourth largest full service Irish bank by 2009". In particular, HBOS sought to grow its corporate business in Ireland. Many of the characteristics that facilitated rapid growth were shared with the UK corporate book: an increasing concentration on property and construction; and the use of "asset specific transactions", again concentrated in the commercial real estate and related sectors."

And:

"In Ireland, estimated impairments

between 2008 and 2011 totalled £10.9 billion, equivalent to 36 per cent of the loan book at the end of 2008; 60 per cent of impaired loans in Ireland at the end of 2011 related to exposures to commercial real estate. All leading Irish banks incurred significant impairments, as a result of the Irish recession. However, the losses at HBOS as a proportion of loans were greater than those of all but one of the major Irish banking groups, as Table 2 shows:

Table 2

Leading Irish Banks' Cumulative Loan impairments (2008-11 as% of end 2008 loans)

AIB	22.1
Anglo-Irish	48.3
BoI	9.4
Danske	17.9
HBOS	35.5
ILP	6.1
KBC	6.7
Ulster	17.5

Source : Company data"

The British Report continues:

"The HBOS portfolio in Ireland and in Australia suffered out of proportion to the performance of other banks. The repeated reference in evidence to us by former senior executives to the problems of the Irish economy suggests almost wilful blindness to the weaknesses of the portfolio flowing from their own strategy."

It is noted also: "There is also a very significant gap between the HBOS proportion and the next highest figure."

The Oireachtas inquiry is not supposed to name and shame, or attribute blame, at least partly for legal reasons, so it is useful in this instance that a more fully sovereign parliament in Westminster has no compunction in doing so. The failure to call BoSI's former CEO to account in Ireland is rather grave, given that he is still a very active player in the financial sector within the state.

The Inquiry did hear from Cormac Mc Carthy of Ulster Bank. In his opening statement he stated:

"In aiming to become a genuine third force in Irish banking, Ulster Bank lent too much money to too many people on the basis of assumptions which turned out to be seriously flawed. This was not to say that we adopted a cavalier or reckless approach to banking, we didn't. What is clear is that our strategy, while genuine in its motives and ambition and backed by one of the world's largest banks, was ultimately proven to have been ill-judged and mistaken in the light of what transpired in 2008 and beyond."

Ulster also faced increasing competition from the upstart BoSI:

"I would like to address the issue of the introduction of 100% mortgages, because I know that it's a concern of the Banking Inquiry. In 2004 the First Active (*Ulster's mortgage-focused subsidiary, SO*) mortgage market share was coming under pressure in the first-time buyer segment, where mortgage brokers in particular were gaining increased traction."

This increased traction came largely from BoSI which, lacking a branch network, used brokers to source their mortgage-lending customers. The absence of expensive branches meant lower costs which enabled them to also charge lower interest rates for the loans.

The losses on Ulster's loan portfolio were bailed out by its parent RBS, which was in turn bailed out by the British taxpayer. In response to Senator Sean Barrett regarding the total amount of the bailout:

"I think the total amount, if I'm not mistaken, Senator, is about €14.9 billion. Subsequent to that ... that was to the end of 2013 ... I believe Ulster Bank had write-backs (*reduced losses, in accounting terms, SO*) of about €1.5 billion in 2014. So, the provisioning has been reduced so the capital may follow in time."

Banks fund part of their lending from retail deposits and the rest from what are termed 'wholesale' money markets, through the issue of bonds and shorter term instruments and borrowing from other banks with surplus cash. Deposits are the preferred way, as depositors generally save for extended periods of time. Borrowing on the money markets to fund lending such as mortgages over extended time periods violates what used to be a fundamental principle of banking, '*borrow long and lend short*'.

In the past banks both in Britain and Ireland did not get very involved in the mortgage market. They focused on business lending and left mortgages to the relatively staid mutually, or cooperatively, owned building society sector. That all changed with deregulation in the 80s and 90s, when building societies were allowed to become banks.

Their capacity to attract long-term deposits from savers made them attractive to existing banks and a wave of demutualisations and takeovers occurred, which produced among others HBOS, formed from the merger of the former Halifax Building Society with the newly aggressive Bank of Scotland. However

the availability of credit on a global scale as a result of the Asian savings glut meant that US and European banking institutions, regardless of their origins, were able to increase their lending through recourse to the money markets.

So how much of Ulster's lending came from deposits and how much from the markets?

"Senator Sean D. Barrett: Because you can appreciate that this was going on in March to July 2008 and the banking system was pretty soon going to get in all these problems and the regulator did have, did have those concerns. The regulator was also concerned about the low percentage of your funding raised from deposits and in particular that you were bringing resources in from the Royal Bank of Scotland. Was that ... what was your deposits-to-loans ratio at that stage?

Mr. Cormac McCarthy: I think our loan-to-deposit ratio for the group in Ireland as a whole was of the order of between 150% and 200%. So that would not have been at odds typically with the system at the time, as wholesale funding had increased significantly in the previous five to ten years. But in addition Senator, as the liquidity crisis hit in late 2007, increasingly funding fell into the wholesale environment so that was our ratio at the time and that was not atypical of institutions at the time. And we had limits, RBS had Financial Services Authority in the UK limits imposed on how much they could lend us as well and they were observed at all times.

Senator Sean D. Barrett: Is it possible to regulate the sector in Ireland if banks with connections outside the jurisdiction can finance their lending from that source ... has the regulator control over that?

Mr Cormac McCarthy: ...I cannot comment on what the current environment is like, but certainly at the time, despite the complexity, it was manageable. I mean, it would have appeared to me at the time that the regulator was comfortable with the fact that, you know, an institution such as Ulster Bank had significant external parentage and support...."

The Chairman intervened with a question regarding Ulster's (and therefore RBS') ambitions in the Irish market:

"Chairman: ... {This is} ... a presentation of what I can gather, is a strategy document, *Our Goals and Customer Strategies*. These are where Ulster Bank sees itself going into the future. They ... it would appear, as outlined in this—I think this was presented to the board on 27 April 2007, and the question I'll be putting to you it was to become ... the target for Ulster Bank was to become the No. 1 new mortgage lending by tripling current account volumes, and secondly to double your share of corporate

lending in the Republic of Ireland from 15% to 30%. I may be asking your views on the ambition of that in a moment. But in deciding the strategy, did you have any concerns that this could potentially lead to a degradation in credit quality in the drive to gain market share.

Mr. Cormac McCarthy: It's a good question, Chairman. Just to explain the background to this: in 2006 we had come through a significant integration programme with Royal Bank of Scotland, and as had been the case when I took over as chief executive of Ulster Bank, our ambition was to take on AIB and Bank of Ireland, so being No. 1 in the island of Ireland was the stated ambition."

{But:} "Governing all of this is risk. So as a table stake in our business, as I explained the structure at the outset of how things worked is none of this would have been done without the appropriate reference and paying the appropriate attention to the risk parameters and the risk structures in the institution...."

"Chairman: Is there an implied statement, or not, in the strategy document that this is grow the bank as fast as you can?

Mr. Cormac McCarthy: No, Chairman. I mean, you know, it would ... everything we would have done would have been done... within a very strict and rigorous framework that was joined into the parent. So even if, even if I had wanted to go and grow to your—to use your language, the way you described it—I would not have been permitted to do it because I would have had to be able to fund the institution appropriately...."

Some perspective on this can be found in '*Making It Happen*' by Iain Martin,, which tells the story of RBS and '*The men who blew up the British economy*'.

Following an upbeat RBS investors conference, including CEO Sir Fred Goodwin, on 9th November 2006:

"One of the most upbeat of all was Cormac McCarthy, the chief executive of Ulster Bank. The Irish property market had gone bananas in recent years and RBS, with Ulster Bank was right in there. In private, McCarthy had expressed concerns to colleagues about what Goodwin was asking him to sign up to in terms of promising growth. The percentages has struck him as aggressive and he had emerged upset from several meetings, needing to be calmed down by colleagues."

There is no sense here that McCarthy would have been restrained by a risk-averse parent bank. On the contrary, the parent was obliging him to commit to rapid and excessive growth which he instinctively felt was too much.

An alternative narrative for the Irish banking crisis is therefore possible: a

somewhat bloated and prosperous provincial Irish banking sector was turned upside down from 1999 onwards by aggressive competition from a deregulated UK banking sector.

Provincial UK banks like RBS and Bank of Scotland had been obliged to reinvent themselves in order to survive within the deregulated environment and in the course of doing so had morphed into megabanks which could only survive through further expansion. This expansion

was international, but the first port of call and easiest market to penetrate was Ireland where the legal system and regulatory environment were similar to the UK. They were able to leverage their size and financial strength in order to win market share from the Irish banks, undercutting them and forcing them to follow suit or be taken over.

"An accident waiting to happen" does not quite do it justice.

Sean Owens

Caps Back To Front

Maybe it's all the rain, but the cap has long been a necessary item of male apparel. They say *"if the cap fits, wear it"*. It can be worn with the peak parallel to the ground, or tilted to the right or to the left. To the left is sometimes called *"The Kildare side"*.

In the context of Irish history, they say that if you're surrounded by men with their caps back to front, you're on the right side. They say the same about women. The Anti-Treaty side in the Civil War was heavily fronted by women. This, of course, is not the same as being on the winning side. Being right and being on the winning side are not synonymous. In fact, they often make uncomfortable bed-fellows.

The Provisional Government of the Irish Republic issued its Proclamation on the Easter Monday, 24th April 1916. It was unambiguously inclusive, calling *"Irishmen and Irishwomen"* to the flag and to freedom. It issues a summons to *"her children"*. (Critics often wrong question *"children"*.) It was delivered at noon, outside the GPO, by Comdt. General Patrick Pearse, President of the Provisional Government, when he proclaimed its all-embracing and generous precepts to stunned passersby; and to the world.

Its contents have been studied and scrutinised since and even the most begrudging have foundered in the contradictions of their own misinterpretations. It opposed the conquerors. It was of noble intent and was feminist way ahead of its time. It has stood the test of time. British Artillery razed the city centre as Might, with its inherent equipment, supply system and re-inforcement capability, was applied; Volunteers, Irishmen and Irishwomen, stubbornly resisted. Amid the barricades, the detritus and debris, the whine of bullets, the blast of explosions,

they fought on until, in order to save lives, the Military Council of the Provisional Government decided to surrender unconditionally.

It was over. Or, was it?

The Republican Forces were made up by unity of the Irish Volunteers, the Irish Citizens Army, Cumann na mBan and some free-lancers of native and foreign origins. Members of the IRB had cross-organisation connections. Several foreign participants, especially from the Baltic area, most of them seamen from ships berthed in the Quays, joined in the Rising. Most had to return to their ships before the Rising's end. There were a fair number, mostly IRB-connected, from Britain, especially London. One seaman, afterwards, was designated 'Russian'. Tsarist Russia then included others. The Rising, of course, preceded the Bolshevik Revolution. There was also included a small number, in the GPO, from the Hibernian Rifles, an armed wing of the Ancient Order of Hibernians, which, incongruously, participated and is often uncommented upon. It is said they numbered approximately thirty, but would scarcely be covered by the content or spirit of the Proclamation. There were approximately 1800 Republicans involved. (The Countermanding Order reduced the numbers.) British forces eventually numbered 30,000 approximately.

Then came the heavy hand of the Conqueror. Prisoners, internment, deportation awaited many. British Firing Squads were being got ready. Fourteen Republican leaders were killed, day by day, in the Execution ('Stonebreakers') Yard in Kilmainham Goal. Another was shot in Cork. The last one, Roger Casement, after a show-case trial and personal detraction,

was hanged in London, as, mealy-minded, Britain sought to assuage USA opinion, before the same Great Power had entered WW1.

Blood was dripping away. Day by day, British Firing Squads did their sordid duty. In a quiet graveyard, in an unnoticed corner in Arbour Hill, the executed rebels were buried in quick-lime graves. They'd been buried, uncoffined; brought there in ones, twos, threes, as the case may be. Four was the biggest number for one day. Their bodies had been brought to their graves by a British Army vehicle, quietly. (The executions were conducted after dawn.)

Comdt. Ned Daly relates he was brought to Kilmainham to see his relation, Tom Clarke. However, Clarke had been shot already. His body lay there, still in a shed, along with the body of one other, who'd been shot too and whose body also awaited removal. Daly looked down upon the two dead bodies, said a prayer, and was returned to incarceration. He, too, was shot, the following morning. The executions were conducted with efficiency and speed, before the city was fully awake. In Dublin, the Sherwood Foresters provided the four squads required.

The *Irish Independent* delivered a caution. Two Signatories to the Proclamation still waited execution. Martin Murphy still itched. But the British were becoming uneasy. International coverage was not universally supportive. It all looked a bit sick. The murder of a prominent pacifist by the British brought unwelcome publicity. This brought some pause. Enough is enough. Some were spared. Including one, especially. One who subsequently would be troublesome. The men with their caps back to front were waiting. In his cell in Kilmainham this prisoner was solving equations as he wrote upon the wall. That writing can be viewed, even now. Calculus, I believe, still deals with the properties of continuously varying quantities. But the *ancient regime* lives on, at least in the minds of some.

The IRB leadership was decimated by the executions. A huge void existed. This was filled in Frongoch Internment Camp in Wales. Collins and Mulcahy, especially, emerged, filling the cabal. The Black Hand that became the new IRB inner core. Confidentiality and exclusivity were at the heart of it. These people formed a nucleus which, later, would become the Free State apparatus which emerged. The mass of the internees was excluded, of course. That it was penetrated by the British would not surprise. Certainly

Collins was central with regards a telling leak. He wrote a letter in Frongoch which blew the gaffe. Inadvertently, or otherwise, he had alerted the British. Error, or not, it had put bait on the book. Now they knew.

Collins' letter was critical of the Rising. He had made a hasty appraisal, without having the facts. Such military analyses are done only when the facts are known. But the British would have detected the wobble. They would know that there was discontent amongst an element. They would use this, in the following years. Never look a gift horse!

Frongoch had seen the birth of the side which would emerge later as Pro-Treaty, and subsequently Cumann na nGael (Fine Gael) which, after the Treaty side had fought and won the 'Civil War'.

The much larger mass of internees in Frongoch would emerge as Anti-Treaty, or Republican. Subsequently they would form Fianna Fail, for the most part, after *The Soldiers of the Rearguard* had laid aside their weapons, thus ending the Civil War. It is also safe to say they, for the most part (the ICA excepted) also emerged from the 1916 Garrisons; and from the "plain people of Ireland".

It seems extraordinary, amidst it all, the Treaty Negotiators, appointed by the Dáil, and orchestrated obviously by Griffith and Collins, reported to the Dáil with a Treaty, a *fait accompli*, signed and delivered and agreed upon with Britain, without a yea or nay, from their own Authority. The other negotiators had been bullied and cajoled. (Subsequently two demurred.) Apparently Collins, especially, was meeting, one to one, with the British. (During the War, Collins had been meeting, one to one, with Alf (Andy) Cope, the Dublin Castle British apparatchik, also. This was being done secretly.) High Society also stuck in its nose. They were heady times, for some. They were used to making decisions in lesser circumstances. They were now deciding the fate of the nation. One man's vision is another's myopia. Also, you may know the first violin but not the conductor.

In the ensuing 'Civil War'—an inevitability—Collins was killed. Now Commander-in-Chief, Free State Forces, he partook in an escapade of extraordinary misadventure. He participated in an inspection, leaving Portobello Barracks with a small, ill-equipped convoy. He conducted inspections in posts in Tipperary throughout the day. Then he overnighted in the Imperial Hotel in Cork. The following

morning he left for West Cork and his doom. General Emmet Dalton, General Officer Commanding, Cork, accompanied him. They limped off.

Drink was central to the West Cork proceedings. There was an element of bragadaccio. In Roscarbery there was fighting, drink-fuelled, amongst Collins' party. Six of them had been heard making threats about Collins. The local Free State commander disarmed them and put the six of them under arrest. These matters and subsequent events raise serious questions. Were these six soldiers subsequently charged? Or did they participate at Beál na Blath in the ambush? (They had been members of Collins' escort.) Did they play any role subsequently? T.P. Coogan refers to the matters. He does not elaborate.

It seems that Pte. McPeake, the machine-gunner on the armoured car, may have been involved in the affray. What part did he play in the incident? Questions jump out. Are they covers-up of covers-up? Why the obfuscation?

Then General Dalton raises some questions. He criticised Collins for his lack of active service experience, especially his inability to use cover. Dalton retired not long after the 'Civil War', and took a post in An Seanad, given to him by W. Cosgrave, then head of Government. He left the post not long after. He ran several businesses in Dublin later. All of these went to the wall. He was by then married

with a young family. He was playing scratch golf. After the collapse of his businesses, who was bailing him out? All so strange. Some while later he went to England, being employed in the film business. It seems he was a semi-professional gambler, going all over England to race-meetings and mixing with the 'in' crowd. After giving a TV interview on RTE in the sixties, it is said that he remarked about The Collins Ambush, off camera, words to the effect, "*We were all ass-holed*", or some such illuminating words. Very interesting it all is too, coming from an acknowledged reformed alcoholic.

Meanwhile the remnants of the Rearguard were moseying about, unemployed; looking at Racing Sheets in bookies offices: trying to put the pence together to make up a wager. Many made their way to America, ending up in Charlestown, South Boston, Chelsea; or Queen's, Brooklyn or Long Island. Some, actually, made it back. Others didn't. Now it all has changed. The Proclamation still stands. Now children are taught it in schools. It still opens up minds and hearts. *Irishmen, Irishwomen!*

PS: The more odious aspects of the Treaty were dismantled, subsequently, of course. It appears the '*Civil War is all about war, but has no relationship with civility.*

John Morgan (Lt. Col. Retd.)

PAMPHLET LAUNCH

"What Is A Nation?"

by

Ernest Renan and Joseph Stalin

Introduction: ***Brendan Clifford***

at

The Ireland Institute
27 Pearse St, Dublin 2

Friday
27th November 2015,
7.30pm

All welcome

Interest and Employment

It has been said that all economic theory is an attempt to provide solutions to a specific set of problems, which occurred at a distinct period of time. If this is true, it cannot be assumed that any given theory is applicable to a different set of economic problems occurring at a different period of time.

In order to understand Keynes' solutions it is necessary to appreciate the problem he was attempting to solve. The problem as Keynes saw it was a tendency for individuals and firms to refrain from consumption. The decision to refrain from consumption is another way of saying the propensity to save. As discussed earlier in this series, although aggregate savings will always equal investment the decision to save will not stimulate investment. Indeed the opposite can be the case. The reduction in aggregate demand will set in train a downward spiral leading to the formula of savings equal to investment reaching an equilibrium point at a lower level of national income and a higher level of unemployment.

In Chapter 23 he says:

"There has been a chronic tendency throughout human history for the propensity to save to be stronger than the inducement to invest."

But as we have noted earlier, the more the level of production exceeds current consumption the more likely such a tendency will lead to a high level of unemployment.

The owners of wealth are risk averse. They prefer to hold on to their liquidity at a zero return than risk making an investment (either directly or indirectly through the banking system). As indicated in the previous part of this series, in this reviewer's opinion Keynes overstates the effect of a strong liquidity preference. Once the money enters the banking system it is available for either consumption or investment.

Keynes' thesis is that the strong desire for liquidity by wealth owners has the effect of raising the rate of interest. A high rate of interest means investors need a higher rate of return on their capital to cover their finance costs (i.e. interest). Since, according to Keynes, the rate of return on capital diminishes as invest-

ment increases, the effect of high interest rates is to reduce investment, which in turn leads to unemployment.

Keynes remarks that some classical economists believed that there was a "natural" rate of interest. The actual rate of interest oscillates around this "natural" rate. When interest rates are higher than this "natural" rate, borrowing for consumption or investment reduces; when it is below this rate borrowing is increased. Keynes doesn't disagree with this view, but makes the point that the "natural" rate or rate at which equilibrium is reached may not correspond to a rate compatible with full employment. One of the tasks of economic policymakers was to ensure that the interest rate was kept at a low level.

It is often commented that Keynes favoured a balanced budget approach. In other words in times of recession the State should spend and in times of boom it should cut back. But there is very little evidence of this in his classic work. The overriding consideration was to stimulate consumption and investment. A key variable in economic policy was the rate of interest. Expanding the money supply was a means of reducing the "natural" rate towards a rate closer to a level compatible with full employment. In Chapter 22 here is what Keynes says on this matter:

"The remedy for the boom is not a higher rate of interest but a lower rate of interest! For that may enable the so-called boom to last. The right remedy for the trade cycle is not to be found in abolishing booms and thus keeping us permanently in a semi slump; but in abolishing slumps and thus keeping us permanently in a quasi-boom.

"The boom which is destined to end in a slump is caused, therefore, by the combination of a rate of interest, which in a correct state of expectation would be too high for full employment, with a misguided state of expectation which, so long as it lasts, prevents this rate of interest from being in fact deterrent. A boom is a situation in which over-optimism triumphs over a rate of interest which, in a cooler light, would be seen to be excessive."

Keynes is saying here that an unrealistic view of the rate of return on capital—in relation to the rate of interest—causes an increase in investment. When it becomes

clear that the interest rate exceeds the rate of return there is a dramatic fall in the level of investment leading to a slump. The answer is not to raise interest rates during a boom, but the opposite: reduce interest rates. In this way investment will not be choked off by the interest rate.

In Chapter 24 he suggests that there is no moral reason why interest rates should be higher:

"Interest today rewards no genuine sacrifice any more than does the rent of land. The owner of capital can obtain interest because capital is scarce just as the owner of land can obtain rent because land is scarce."

However, Keynes admits that all this is easier said than done. There is a limit to what can be achieved by increasing the money supply.

In Chapter 12 he says the following:

"For my own part I am now somewhat sceptical of the success of a merely monetary policy directed towards influencing the rate of interest. I expect to see the State, which is in a position to calculate the marginal efficiency of capital goods on long views and of general social advantage, taking an even greater responsibility for directly organising investments since it seems likely that the fluctuations the market estimation of the marginal efficiency of different types of capital, calculated on the principle I have described above, will be too great to be offset by any practical changes in the rate of interest".

However, Keynes' view on investment fell far short of advocating the social ownership of the means of production. In Chapter 24 he expands on this theme:

"The State will have to exercise a guiding influence on the propensity to consume partly through its scheme of taxation, partly by fixing the rate of interest, and partly perhaps in other ways...

"I conceive, therefore, that a somewhat comprehensive socialisation of investment will prove the only means of securing an approximation to full employment; though this need not exclude all manner of compromises and of devices by which public authority will co-operate with private initiative. But beyond this no obvious case is made out for a system of State Socialism, which would embrace most of the economic life of the community. It is not the ownership of the instruments of production which it is important for the State to assume. If the State is able to determine the aggregate amount of resources devoted to augmenting the instruments and the basic rate of reward to those who own them, it will have accomplished all that is necessary. Moreover, the necessary

measures of socialisation can be introduced gradually and without a break in the general traditions of society".

Keynes thought that the State should play a more important role in the economy. But this policy was most certainly not advocated as a means to redistribute wealth or as a step towards the social ownership of the means of production. The main objective of such a policy was to stimulate aggregate demand. As discussed above Keynes believed that, if the free market was left to its own devices, the result would be a tendency for consumption and investment to be at a level which would lead to unemployment. He agreed with the classical economists such as Pigou and Marshall that the free market would lead to an equilibrium between savings and investment. However, he argued that it did not follow that the equilibrium position would lead to full employment. The State's role through various policy tools—monetary and fiscal—was to disrupt that equilibrium position in order to arrive at a new equilibrium level of full employment.

CONCLUSION

As indicated in Part 1 of this series Keynes, like Marx before him, thought of the economy as a system. It was for this reason that he consciously put the word "General" in the title of his classic work. But there the similarity ends. In Marx's *Das Kapital* Labour is placed on the centre stage whereas in Keynes' work it hardly plays even a bit part.

In *Das Kapital* Labour is the source of all value. Although Marx claimed that his work was scientific, the fact that Labour was at the heart of it gave his theories a moral dimension. If Labour creates value, why should the workers not control the production process as well as the means of distribution and exchange? Marx spent a lot of time analysing how labour productivity increased dramatically in the capitalist system through the socialisation of production. He also made the point that the labour expended by the worker must be "socially necessary" in order to create value. If the Labour was utilised in an outdated or obsolete production process no value would be created. Competition among capitalists had the effect of increasing the productivity of labour and driving out of the market the small capitalist (the petty bourgeoisie). This led to a concentration of capital, which enabled it to operate on a global scale.

In Keynes' work, by contrast, neither

the worker nor the capitalist make an appearance. The productivity of labour is irrelevant. The rate of return on capital is largely determined by its scarcity. If investment increases the rate of return diminishes. There is nothing about the role of competition. In general his analysis applies to a closed economy it has little relevance to a small open economy such as Ireland.

Although there have been economists who have described themselves as Keynesian, who have advocated centralised wage bargaining, Keynes himself had no interest in controlling the wage level. In Chapter 19 he suggests that controlling wages through centralised bargaining was futile.

The purpose of this series of articles is not to denigrate the theories of Keynes. For the most part they make sense on their own terms. His insights on consumption and investment must have appeared revolutionary at the time and suggest that his status as a great economist is merited. However, his theories are circumscribed—as with all economists—by a political view of the world.

In his view of the world the actors in the economy are largely passive. While the state of the economy can be thought of as the outcome of countless individual decisions no individual can influence the overall economic environment. While at times the actors in the economy are preys to fashion, hysteria and the herd instinct, they cannot act collectively in a conscious way to influence the economy. Although workers in certain sectors of the economy can obtain partial advantages, workers as a class cannot determine the overall wage level. Remarkably, even technological advances or improvements in the organisation of production are of marginal significance since the rate of return on capital is determined by its scarcity.

This view of the world has policy implications. The job of the State is to manipulate economic variables such as the interest rate, the tax system etc to produce a better outcome than would be the case if the market was left to its own devices.

Since workers and capitalists are not responsible for the state of the economy they don't have to think about the economy and can act irresponsibly. Problems of productivity or competitiveness (which don't exist in the Keynesian schema) can be 'solved' by inflation or devaluation.

In the current political discourse there

is no recognition or understanding of the economic problems that Keynes was attempting to tackle. In particular, Keynesian solutions are being proposed for countries which are in debt (consumption exceeding production) and are operating in an open economy: conditions which were not considered in his classic work.

In recent decades socialist ideas have been in retreat. A consequence of this has been that Keynesian solutions have been advocated by people who claim to be on the political Left. But if socialism is about the working class obtaining control of the economy through greater participation by its representative institutions Keynesian economic theories are a political dead end.

John Martin

Letter Sent To *History Ireland*

Falsifying History

History Ireland (HI) magazine (Sept/Oct, 2015) purports to shed light on the 1845-1850 Holocaust by citing Sir William Robert Wills Wilde. It concludes by perfuming Wilde's enthusiasm for ethnic-cleansing via murder.

How deceptive is HI? It completely covers up the at-gunpoint Food Removal. It conceals the fact that more than half of Britain's then-empire army (67 of a total of 130 regiments[1]) participated in that five million[2] person genocide that HI still labels "famine"[3] and "unintentional". "Unintentional" applies only if the food-stripping army was in mutiny. Where's proof of mutiny?

Having thus plumbed the depths of evil, HI also promotes the following lesser falsehoods.

HI's article resurrects the genocide-friendly notion of "Ireland's Potato People" last conjured for the Holocaust's 150th anniversaries in 1995-2000. That earlier promotion even more crudely depicted Ireland's "potato people" as having died off of "Terminal Stupidity," of growing only one failure-prone crop, thus having "improved the world's gene pool by falling into a lethal trap of their own making." Why would HI's editors repeat that old, vile "potato people" slur of the murdered millions?

A lesser though significant HI omission is that of "Sir" earned by Wilde from the British Crown in 1864; a knighthood earned "more for his involvement with the

census than for his medical contributions[4]." Wilde's "involvement with the census" is abetted by HI. The article, like Wilde himself, falsely portrays as an epidemic of diseases what actually was a massively-organized genocide[5].

Other inconvenient facts are omitted: Sir William Wilde was a member of Ireland's Ascendancy, Church of Ireland, and kin of genocidal English Lord Mount Sandford in Kilkeevin. Kilkeevin was eclipsed by the new town of Castlerea that grew outside that lord's demesne gates. Castlerea's eclipsing of Kilkeevin is due to Lord Wills-Sandford's British army-enforced usurpation, like other landlords in Ireland, of essentially all of the agricultural wealth produced by the people for miles around. He arrogated to himself the spending of all of that wealth. A year's work on such estates was typically remunerated by a site for a cabin and a few acres the worker cultivated for his own use. Thus England's landlords in Ireland perpetrated history's longest (centuries-long) organized robbery of an entire nation's output. Similarly Castlebar grew outside Lord Lucan's gates; Westport outside Lord Sligo's gates; Strokestown outside "Lord" Pakenham-Mahon's gates, etc.

Despite having "cashed out" of thousands of acres, the estate of Lord Mount Sandford (Henry Wills-Sandford) still comprised 24,410 acres[6] in 1883 (like all landlords' land Deeds, based upon confiscation). Contemporaneously, Lord Sligo (Mr. Browne), in addition to other "fee lands," possessed 114,881 acres, and "Lord" Pakenham-Mahon (Mr. Henry Sandford Pakenham-Mahon) possessed 28,123 acres. Irish landlords? It was Pakenham relative General Edward Pakenham who was killed in 1815 leading Britain's army against America in New Orleans.

In addition to a multi-thousand acre estate in England, in 1883 Lord Ashbrook (Henry Flower) possessed 23,050 Co. Laois acres around his Castle Durrow. In 1836 he evicted my granduncle Andrew Fogarty and grandaunts Mary and Sera and their parents from their land in Ballykealy, Durrow. My paternal grandfather Kieran Fogarty was born in July 1839 in a temporary shelter beside the lord's gallows uphill of Durrow.

Ireland's landlords are gone –back to England. Ireland's Ribbonmen, Land league, and international outrage against the landlords' genocidal usurpations of Ireland's production forced Britain to buy the landlords out (at above-market prices)

and repatriate them to England nearly all between 1900 and 1910. Their crimes continued until their departure. As Lords and M.P.s they had employed their legislative clout to use Britain's army to remove a torrent of Irish food[7], starving its producers.

HI's inadvertent self-refutation? The article states; "...more than half of Ireland's 'pre-Famine' population of 8.5 million[8] consumed only potatoes and buttermilk." If buttermilk existed, what do IH editors think happened to the butter?

Your article even includes anti-Irish cartoons. Oughtn't "History Ireland" be re-named Propaganda Britain? Also; don't IH editors grasp that concealing a genocide invites more of them?

[1] British National Archives Records WO 378/7

[2] Ireland 1845-1850, the Perfect Holocaust, and Who Kept it "perfect." Pages 95-111.

[3] The old, discredited lie we were all taught in schools.

[4] Wikipedia

[5] Ireland 1845-1850: the Perfect Holocaust... pages 188 – 237.

[6] This acreage and others mentioned here are from The Great Landowners of Great Britain and Ireland; a List of All Owners of Three Thousand acres and Upwards (1883)

[7] Ireland 1845-1850: the Perfect Holocaust... Exhibits B (The Times news of food landings) and D (Ordnance Survey Maps)

[8] Ibid: Chapter 6.

Christopher Fogarty

Ethel Rosenberg Poem

Before the execution of the Rosenbergs on 19th June 1953 at Sing Sing Prison, Ethel wrote a poem to her sons Robert and Michael, then aged six and ten:

IF WE DIE

You shall know my sons, shall know
Why we leave the song unsung
The book unread, the work undone
To lie beneath the sod.

Mourn no more, my sons, no more
Why the lies and smears were framed
The tears we shed, the hurt we bore
To all shall be proclaimed.

Earth shall smile, my sons, shall smile
And green above our resting place
The killing end, the world rejoice
In brotherhood and peace.

Work and build, my sons, and build
A monument to love and joy
To human worth, to faith we kept
For you, my sons, for you.

Ethel Rosenberg*

This is from the book: *We Are Your Sons* by Robert and Michael Meeropol (aka Rosenberg) The book contains mostly hundreds of letters written between Ethel and Julius Rosenberg while on death row. There they also affirm their faith as Jews though previously Judaism played an important part in their lives as active communists.

So much for the Godless Communism tag. The Rosenberg brothers get their life together and turn out as well-adapted and thoughtful young men.

Wilson John Haire

* Ballantine Books, New York. ISBN 0-345-24985-2-195. May, 1976 (with 16 pages of photographs). (The letters previously appeared published as Death Row Letters)

**Look Up the *Athol Books* archive on the Internet
www.atholbooks.org**

The Irish Volunteers group has posted the following online: *Brian O'Donoghue, I.V.C.O. member and grandson of Frank Busteed, has written two letters to the Irish Times in response to Stephen Collins' article on Frank Busteed. Neither have been published, so we publish them here.*

Frank Busteed

Stephen Collin's article, on eligibility for War of Independence pensions, suggested that Frank Busteed's execution of the loyalist informer Mary Lindsay in 1921 forms part of the wider historical/academic debate on sectarianism.

As a result of Lindsay's information six young men were sentenced to death and executed, despite a public outcry and appeals from public figures. A seventh volunteer died later of his wounds. Much has been written on Frank Busteed's activities during the War of Independence, in books, newspaper articles and historical journals. It seems clear that religion was certainly not a motivating factor. Frank was the product of a mixed marriage. His father was Protestant and from a unionist family, while his mother was Catholic and from a nationalist background.

Frank was a self declared Atheist and appeared to have little interest in anyone's religious persuasion. He was on good terms with both sides of his family and had regular contact with them, before during and after the war. Some time after he returned to Ireland from the United States in 1935 (where had been successful in business since 1924), Frank resumed contact with both sides of his family. During the period from 1941, when he also served as a Lieutenant in the Irish Army, Frank was in regular contact with his father's family.

It is thus odd, and to my mind and from my knowledge of the family also unfair, to attempt to contextualize such a person in a sectarian light.

This debate will continue, but it should be said that a significant amount of information exists (much of which was actually written and available at the time, but has not been adequately publicized in my opinion) from representatives of Southern Protestantism, including from the Cork area, disputing IRA sectarianism allegations. These emerged during the late 1990s from the pen of Peter Hart and are now largely discredited.

Brian O'Donoghue (grandson of Frank Busteed)

<http://irishvolunteers.org/frank-busteed-letter-to-the-editor-irish-times/xx>
Posted on February 3, 2015

Letter Sehnt to *Irish Times*, 15th October

The Coventry Bombing

Nine days before Britain went to war with Germany in 1939, five civilians were killed in Coventry by an IRA bomb.

Nine days before Britain went to war with Germany in 1914, four civilians were killed in Dublin by British Army gunfire.

Your London Editor, Denis Staunton, reports (15 October) that IRA veteran Joby O'Sullivan stated that he made and planted the

Coventry bomb, and had abandoned it when the bicycle carrying it got caught in a tram track, and it had not been intended to kill anyone. It seems that Peter Barnes and James McCormick, who were hanged for murder, were not involved. About forty five years ago I met a teacher from Coventry who knew Elsie Ansell, the 21 year-old bride-to-be killed by the IRA bomb.

So far as I know, the shooting of unarmed Dubliners by the British Army in July 1914 was no accident, and no Britishers, military or civilian, were held to account for it.

Donal Kennedy

Field Marshal Frederick Roberts

Why has Waterford seen fit to unveil a bust to Field Marshal Frederick Roberts (October 5th)? Roberts represents the very worst of the militarism that characterised the British Empire. He was involved in the bloody suppression of the Indian Mutiny, in the equally barbaric invasion of Afghanistan and, as a die-hard Tory, he supported the aims of the Curragh Mutiny.

We ought to remember those who were slaughtered during the first World War, but we ought not to celebrate those savage jingoists who sent them out to be slaughtered. – Yours, etc,

**Niall Gillespie,
Letter, *Irish Times*, 12.10.15**

...Niall Gillespie... refers to the atrocities carried out by the British Army under his [Roberts'] command. It should also not be forgotten that he was responsible for the burning of farmhouses and the herding of Afrikaner women and children into concentration camps in which 20,000 died because of neglect and unsanitary conditions during the Second Anglo-Boer War...

**Brian Ó Cinneide
16.10.15**

Does

It

Up

Stack

?

IRELAND AND REPUBLIC OF IRELAND

When we are speaking English we refer to 'France' or 'Germany' or 'Spain', as the case may be, whereas when speaking in French, German or Spanish we say 'La France' or 'Deutschland' or 'España' respectively to name these States. States are entitled to name themselves as they wish, usually. As far back as we can trace the name of this country Ireland, was called in Gaelic 'Éire' and in Latin 'Hibernia' and 'Scotia'. In history books written by Englishmen in English, Ireland was called Ireland. King John of England described himself as Lord of Ireland but that was a statement of intent or wishful thinking and is as valid as King George IV of England who routinely described himself as King of England, France and Ireland.

When Ireland was disentangling itself from the clutches of the English, or as they call themselves British, a Constitution had to be written in Dublin in the Shelbourne Hotel under British supervision.

Article 1 of the 1922 Constitution states:

"The Irish Free State (otherwise hereinafter called or sometimes called Saorstát Eireann) is a co-equal member of the Community of Nations forming the British Commonwealth of Nations."

Article 2 is masterfully equivocal in dodging the Northern Ireland/Southern Ireland issue raised in the UK *Government of Ireland Act*.

Article 2 is:

"All powers of government and all authority, legislative, executive, and judicial, in Ireland are derived from the people of Ireland, and the same shall be exercised in the Irish Free State (Saorstát Eireann) through the organisations established by or under, and in accord with, this Constitution".

The 1922 Constitution avoids describing the Irish Free State/Saorstát Eireann for political reasons at the time and the Constitution does not formally designate the name of the State in the way that the 1937 Constitution does. However, we can see there is no ambiguity about the name of the State. It is 'The Irish Free State' in English and '*Saorstát Eireann*' in Gaelic and this remained so until 1937.

The 1937 Constitution which was democratically adopted by the people is

very definite about the name of the State. It says in Article 4:

"The name of the State is Éire, or, in the English language, 'Ireland' "

and in Airteagal 4:

"Éire is ainm don Stát nó, sa Sacs-Bhéarla, Ireland.

In the English language version of the Preamble to the 1937 Constitution it says:

"We, the people of Éire".

And so it would seem that Éire is the preferred name of the State in English or in Gaelic and that the name 'Ireland' is the name of the State in the English language also. That has been the position from 1937 up to the present day.

In 1948 Ireland declared itself to be a republic.

The Republic of Ireland Act 1948 repealed the *Executive Authority (External Relations) Act 1936*. The 1948 Act did not change the name of the State. It provided in Section 2:

"It is hereby declared that the description of the State shall be the Republic of Ireland."

The Act was passed on 21st December 1948 and came into effect on 18th April 1949 which was Easter Monday that year and the Anniversary of the 1916 Rising.

The Taoiseach John A. Costello made a curious statement in the Dáil. He said:

"That section (section 2) is so obviously necessary that it requires no advocacy on my part to commend it to the Dáil. Deputies will recall that under the Constitution the name of the State is Éire or, according to Article 4, the name of the State is Éire or in the English language Ireland. Now this section does not purport, as it could not, to repeal the Constitution. There is the name of the State and there is the description of the State.

"The name of the State is Ireland and the description of the State is the Republic of Ireland. That is the description of its constitutional and international status. Deputies are probably aware of the fact that tremendous confusion had been caused by the use of that word 'Éire', they have identified it with the Twenty Six Counties and not with the State that was set up under this Constitution of 1937.

"In documents of a legal character such as for instance, policies of insurance, there is always difficulty in putting in what word one wants to describe the State referred to. Section 2 provides a solution for these difficulties and those malicious newspapers who want to refer in derogatory tones to this country as Éire and who have coined these contempt-

uous adjectives about it, such as "Éireannish" and "Éirish" and all the rest of it, will have to conform to the legal direction here in this Bill.

"Section 2 does these subsidiary things but it does more than that. It does something fundamental. It declares to the world that when this Bill is passed this State is unequivocally a republic. It states that as something that cannot be controverted or argued about and we can rely, I think and I hope, on international courtesy to prevent in future this contemptuous reference to us and the name of our State being used for contemptuous purposes, as it has been, by some people and by some organs in the last few years."

(Whew! Whatever did they do to Taoiseach Costello on his visit to Canada?)

However the international courtesy hoped for by Taoiseach Costello did not stop the British, or should it be UKish?, Government from counter-attacking with their '*Ireland Act 1949*' in which Ireland was recognised as a republic and that—

"the part of Ireland heretofore known as Éire ceased to be part of His Majesty's Dominions" as from 18th April 1949 and that that part of Ireland may—

"in any Act, enactment or instrument passed or made after the passing of this Act be referred to by the name attributed thereto by the law thereof, that is to say, as the Republic of Ireland..."

and also that "Northern Ireland remains part of the United Kingdom."

A sort of tit-for-tat. Ireland was to be called in future in the UK by its *description* '*Republic of Ireland*', and not by its name 'Ireland' as in our Constitution, and Taoiseach Costello was put in his place. In retrospect, Section 2 should simply have stated "Ireland is a Republic".

The practical effect of all this devious manoeuvring by the UK Government over the name of Ireland is that, in United Kingdom agreements between Ireland and the United Kingdom, there are in each case two separate agreements drawn up, instead of the normal international practice of duplicate agreements. For example, when the two states reach agreements for the avoidance of double taxation, in the UK version of the agreement published and promulgated in the UK, the contracting parties will be the "*United Kingdom of Great Britain and Northern Ireland*" and "*The Government of the Republic of Ireland*", whereas the version published and promulgated in Ireland will be stated to be between the "*United Kingdom Government*" and the "*Government of*

Ireland" thus avoiding reference to "Northern Ireland" (whatever that is— Donegal is the furthest north of Ireland.)

One question I would ask here is, are there several versions of the *Good Friday Agreement*? Are the politicians spinning a different story in each of the several jurisdictions involved in that Agreement? Are there in fact several Good Friday Agreements?

Since 1937 Ireland has had a consistent policy of calling the State 'Ireland' and in the Irish language *Éire* and this policy is honoured by all other States except the United Kingdom. The United Kingdom does not have a consistent policy about its own name either. They refer to a "*British Passport*" and I am not aware of any UK statutory basis for the use of the word "*British*". Unionists in Belfast refer to themselves as "*British*" but "Britain" never extended beyond England and maybe to England and Wales. England, Wales and Scotland were referred to as the "United Kingdom of Great Britain". Perhaps a UKish Passport?

THE 1922 CONSTITUTION AND PROFESSOR DIARMAID FERRITER

In what seems to be a new initiative to stir the pot in Ireland, Professor Diarmaid Ferriter, Modern Irish History, UCD, is featured in a full-page advertisement in *Phoenix* (October 23rd –November 5th 2015), promoting a campaign to reinstate Article 48 of the 1922 Constitution, which provided for legislation to be introduced to enable a petition signed by fifty thousand voters to be put to a vote by the people as a referendum. Such legislation was not introduced and Article 48 along with the rest of the 1922 Constitution was superseded by the enactment of the 1937 Constitution of Ireland.

The provisions of Article 48, if implemented now, would not lead to democracy as claimed but to chaos because with modern multi-media platforms, any group of eccentrics could jam up the system with requests for referenda every day. Professor Ferriter, in my opinion, is being at the very least mischievous if not sinister with this campaign. The logo has the wording:

"Restoring Direct Democracy to the Irish Constitution"

and in the middle of the logo is the message: "*Reinstate 48*".

Underneath a big picture of Ferriter is a quotation that comes from him—

"The 1922 Constitution reflected a very positive vision of Direct Democracy. The idea was that people could initiate

legislative change or constitutional amendments. Now, as the centenary of 1916 approaches, has the time come to revisit that democratic vision?"

Professor Ferriter is a well paid

**Press Release: Finian McGrath TD
(IND) (Dublin Bay North)**

Senate Reform

Deputy Finian McGrath: I am grateful for the opportunity to speak on this legislation, the Electoral (Amendment) (No. 2) Bill 2015. I warmly welcome the Bill and the debate on it which gives us an opportunity to speak about elections, electoral politics, the Seanad and related matters. We must reform the democratic system and introduce the new and radical changes which were promised in 2011 following the banking crisis and the economic crash. We must be open to change and put our citizens at the centre of this change. If we do not do that, all the talk of reform is just hot air.

... It is important to discuss the Seanad and parliamentary democracy. Sadly, certain sections of society wanted to close down the Seanad a couple of years ago. I was one of those who campaigned to keep the Upper House open, while making it more democratic and inclusive. We won the debate against the odds and in the face of a great deal of populist nonsense. We were promised necessary new reforms at the time. I support extending the Seanad franchise to emigrants and the diaspora. The Seanad also needs voices from the North, because we must be vigilant with regard to the peace process. We need to build on the Good Friday Agreement rather than trying to pull it down.

I want the Seanad to be more inclusive and respectful of democratic values. The issues of cronyism and elitism must be challenged and wiped out. I am strongly in favour of major reform of the process by which the Taoiseach nominates 11 persons to the Seanad. Members of the Traveller community could have done with a voice in the Seanad in the past three weeks. I would welcome any decision to have a voice in the Seanad speaking on behalf of Travellers because many of those who spoke out on the issue were ignored by certain sections of the media.

I am equally in favour of ensuring that people with disabilities have a voice in the Upper House. Every day, we meet quality people with great ideas about politics, the rights of persons with disabilities and the United Nations Convention on Human Rights. They are people with brilliant minds, yet their physical disability appears to be a major problem. I ask members of the Government to open their minds and hearts to the quality people with disabilities in broader society who could make a contribution and change the political agenda

academic of Irish history, funded by the Irish tax-payers.

Who is paying for this advertisement and campaign?

Qui Bono?

Michael Stack ©

in the Oireachtas. I raise these ideas in the context of the broader debate on electoral reform. As we approach the 1916 commemorations, it is important to ask ourselves whether we have implemented the democratic programme and vision set out in the Proclamation. Modern Ireland needs a vision of equality and respect. We must look after the weaker sections of society.

We must also focus on supporting and developing many of the core principles of the Good Friday Agreement. Yesterday, I had the privilege of attending a meeting of the North-South Inter-Parliamentary Association with the Ceann Comhairle. It was pointed out at the meeting that the Speaker of the Stormont Assembly, Mitchel McLaughlin, and the Ceann Comhairle have a strong relationship and have worked together to build trust between Unionists and Nationalists and the North and South in recent years. One does not hear much about that, even in this Chamber. We need to highlight the good work being done among all strands of political opinion on this island. I raise this issue in the context of this discussion on elections, politics and electoral reform.

To return to the implications of the Bill, if this legislation is enacted, candidates in Seanad university elections will continue to be entitled to send material in respect of their candidature by free post to each voter on the relevant electoral register. The requirement that material be sent to households only, which is to be commenced for general elections, will not be applied to the Seanad university elections. The delivery of communications to households rather than individuals is intended as a cost-saving measure, as has been pointed out. This is part of the broader brief.

Many youth groups have raised wider issues regarding elections. For example, the National Youth Council of Ireland has highlighted registration barriers and linked these to the high number of younger voters who are not registered. It has called for a centralised system of online voter registration. While it is currently possible to check whether one is registered, it is not possible to register online. I raise this issue because many young people believe they are not being shown enough respect to persuade them to get involved in politics. We need young, fresh voices to enter the political system. The turnout among young people in the recent referendum on marriage equality was substantial. However, we need young people to turn out on issues of poverty and the rights of people with disabilities. They must step up to the plate and show support for tough political issues such as the rights of Travellers. We must not run away from difficult issues. ■

GUILDS continued

character of their profession, in an age when a third of men and half the women could not even sign their names in the marriage register." (*ibid.* p.22).

The 'aristocracy of the working classes' were ever determined to remain aloof from their fellow workers in the trade. In three different jurisdictions, the present writer has witnessed various Typographical Societies organise and even finance the setting up of non-craft or unskilled unions rather than be tarnished by their comradeship—a policy which was ultimately to cost them dearly with the advance of technology. Another aspect of the trade was the fact that, in the early days of print, newspaper proprietors in particular were prepared to cosset their craftsmen with above average wages and conditions to ensure that the 'truth' was always published.

Louis Heren, a former Deputy Editor of *The Times*, London, recalls when the Times canteen served beer to the blue collar staff and whiskey to the journalists at their lunch break.

THE REFORMATION

Johann Gutenberg's invention of the printing press and his development of printing from movable type had a significant impact on the spread of ideas in Europe and beyond. Printing technology travelled quickly across Europe and, at a time of great religious change, played a key role in the success of the Protestant Reformation. Reformation leader Martin Luther could only preach to a small number of people, but the printed word could spread his message to thousands more.

Protestant thinkers used the printing press to spread their ideas across Europe, mainly through pamphlets. In the very early years of the Reformation, German-language printing presses produced hundreds of pamphlets. Lutheran writers outnumbered Catholic five to three and made up 20% of all pamphlets published between 1500 and 1530. The invention of the printing press removed control of written material from the Catholic Church and made it difficult for the Church to inhibit the spread of what it regarded as heretical ideas.

PAMPHLETS

The use of pamphlets became the primary method of spreading Protestant ideas and doctrine. Pamphlets took little time to produce and they could be printed

and sold quickly, making them harder to track down by the authorities and thus making them a very effective method of propaganda. The sheer number of pamphlets produced during this period indicates that Protestant works during the Reformation were available on a consistent basis and on a large scale, making the controversial ideas accessible to the masses. This is one of the reasons that the Protestants were successful in their propaganda campaign and in the Reformation.

COST OF BOOKS

The printing press drastically cut the cost of producing books and other printed materials. Prior to Gutenberg's invention, the only way of making multiple copies of a book was to copy the text by hand, a laborious and intensely time-consuming occupation usually performed by monks. The materials involved were also costly: Monks wrote on treated skins, known as vellum, and a single copy of the Bible could require 300 sheepskins or 170 calfskins. Printing onto paper made copying cheaper and faster.

With presses available and secondary ways of presenting his writings to the illiterate, Luther fed Germany with text after text. It is estimated in the period of 1521 to 1545 a total of 5,651 works appeared, with 30.2% published by reformers, 34.1% were non-religious titles, and 17.6% were by Catholics. In the first half of the same period, the reformers' works constituted an even greater proportion of the output with the reformers producing 46% of the works.

Publishing in the vernacular was important to Luther and the other reformers because they appealed to the non-clerics and common people.

Remarkably, Luther's translation of the New Testament not only provided a vernacular version of the Bible, but was also used to teach reading to the illiterate, thus promoting a unified German language.

NEW TECHNOLOGY

However, as is often the case with new technology, there were challenges to its advancement. The publications were distributed in a Germany with literacy levels varying from 5% to 30%. Despite the problems, the printing press survived its first century of use and became the way that texts were preserved and communicated.

Finally, the following quotation gives a sense of how greatly Gutenberg's wonder changed the West. The availability of books increased so much with the advent

of movable type that it could be said,

"A man born in 1453, the year of the fall of Constantinople, could look back from his fiftieth year on a lifetime in which about eight million books had been printed, more perhaps than all the scribes of Europe had produced since Constantine founded his city in A.D. 330." (Michael Clapham, *"Printing", A History of Technology, vol. 3, From the Renaissance to the Industrial Revolution*, ed. Charles Singer, et al (Oxford: Clarendon Press, 1957), p377).

Martin Luther embraced printing technology and efficiently used it for the distribution of his writings, but most important for his readers, the printing press provided the German Bible for all to read.

PEASANT WAR

Although the Peasant War of 1524-25 was mainly an agrarian rebellion, the Reformation had a major influence on the War. In 1517, Martin Luther posted his 95 Theses in Wittenberg, after he translated the Bible into German, and common men began to question "*God's will*" and the interpretation the Catholic Church offered. Many peasants believed erroneously that the nobility, which embraced and introduced the Reformation, would be on their side. Other Church reformers, including Huldrych Zwingli and Thomas Müntzer, further emboldened the peasants with their theories that the common man could have a relationship with God without an indispensable intermediary like the Catholic Church.

Ironically, it was not the landless peasantry that revolted in 1524 but the peasant middle classes, together with the artisans and Craft Guilds from the cities. Furthermore, doctors, lawyers, even some mayors of smaller towns, as well as monks and lower clergy priests, and a few knights, were on the side of the peasants. 100,000 peasants died. German Guilds paid a high price also.

LUTHER AND GUILDS

"In a sermon on the sacrament of the altar and brotherhoods from 1519, Luther argued that the activities and ordinances of fraternities were nothing to do with religion and complained:

"What have the names of Our Lady, St. Anne, St. Sebastian, or other saints to do with your brotherhoods, in which you have nothing but gluttony, drunkenness, useless squandering of money, howling, yelling, chattering, dancing, and wasting of time? If a sow were made the patron saint in such a brotherhood she would not consent" (*Baptism, Brotherhood, and Belief in Reformation Germany, 1525-1585*, Kat Hill, Oxford, 2015).

To Be Continued

GUILDS continued

TECHNICAL DEVELOPMENT

Output in the print trade was not increased by any very remarkable technical development. The primitive wooden presses of Gutenberg's {1395-1468} day had been improved by various German printers and, in 1620, by William Blaeu of Amsterdam, but no notable improvement on this Dutch press was made until 1798. The compositor's equipment also remained unchanged: in 1760, and for over a century to come, it still included the type cases, composing stick, bodkin, galleys, and other ancient accessories of hand composition. Gutenberg's inventions, seminal to the course of civilisation, remained the source of the basic elements of typesetting for 500 years.

When the present writer commenced his seven-year indenture in 1958, at 14 years of age, in short trousers, standing on a box over a type case composing examination papers in the old gaelic script—bar the existence of a light bulb, he could have been back in any century up to the Fifteenth.

STATIONERS' COMPANY

"The main factor in the development of printing in Britain until nearly the end of the 17th century was the control exercised over it by the State and the Stationers' Company. It was part of 'Mercantilist' policy at that time to regulate *all* industries, usually through the craft guilds or, as they were now becoming, livery companies. The Stationers', incorporated in 1557, was one of many such companies. As, however, printing possessed dangerous possibilities of religious and political sedition, Government control over it was especially severe. It was not until the end of the 17th century that the industry was free to expand, and even then the newspaper press was restricted by the Stamp Acts..." (*ibid.* p.2)

After William Caxton {c.1422-1491} set up in England in 1476, printing presses were established not only in Westminster and London, but also at the Universities of Oxford and Cambridge and in several other provincial towns, usually in the vicinity of ecclesiastical buildings.

In 1557, the Stationers' Company was incorporated and given an almost complete monopoly of printing, with extensive powers of regulation. State Regulation was made even more severe by a Star Chamber decree in 1586. Provincial printing was abruptly ended except at the two universities, there was to be no printing whatsoever "but only in the City of London

or the suburbs thereof" The Reformation Archbishop of Canterbury and his colleague, the Bishop of London, would determine the needs for further presses.

SMALL SCALE

Even in London, the industry was not on a large scale. There were only twenty-one printers in London in 1583, owning fifty-three presses in all.

The abolition of the Star Chamber in 1641 meant the lapse of its decrees and left the printing industry suddenly freed from restriction in a period of intense political and religious controversy.

After the 1688 Glorious Revolution the *Licensing Act* was allowed to lapse permanently (1695), leaving the printing industry at last freed to expand in the provinces. Most of whose owners began by printing a newspaper.

GROWTH OF PRINTING

This was due not only to the breakdown of the centralized machinery of Government, but also to the expansion of trade and industry, the growing wealth and influence of the commercial and industrial classes, the rising spirit of individualism, competition, and *laissez-faire*.

The Stationers' Company, like other Craft Guilds, comprised both employers and employed, masters as well as journeymen and apprentices, but it was not long before a gulf developed between them. The restriction of the number of printers, the granting of patents, and the evolution of Guild government tended to place power in the hands of a small oligarchy of master printers and to create a body of permanent wage-earners. Already, in the 16th century, there existed a class of life-long journeymen, who, together with the smaller masters, formed the 'Yeomanry', with outlook and interests different from and often opposed to those of the wealthier masters in the 'Livery', from amongst whom were chosen the Master, Wardens, and Court of Assistants who governed the Company.

INDUSTRIAL REVOLUTION

The Industrial Revolution was to bring considerable change and development and, ultimately, to transform the industry. But the 'revolution' in the printing trade was a very long and gradual process. There was, in fact, a one-sided development, which mechanised press-work, but left hand composition practically unaffected until the last quarter of the 19th century. Thus, throughout the period up to 1850, we have to deal with hand compositors, still carrying on their trade in a fashion centuries old, steeped in craft Guild tradi-

tions and comparatively undisturbed by any 'industrial revolution' of their craft.

The development of free trade ideas and competition brought about the gradual collapse of industrial control by State and craft Guild—an important factor in the development of Trade Unionism.

Free Trade brought first the reduction and then the abolition of the advertisement, newspaper stamp, and paper duties. The introduction of the penny post in 1840 was of immense advantage to printers and publishers.

The Census Abstracts of 1831, 1841, and 1851 gives a good picture of the printing industry's structure in the first half of the 19th century. They show that the number of printers over twenty years of age in the UK rose from just over 9,000 (London 4,000) in 1831 to nearly 20,000 (London 8,000) in 1851. The industry was expanding rapidly. (Musson)

"We have seen that, as early as the 16th century, a class of lifelong journeymen existed and that it was among such permanent wage-earners that trade unionism developed. But printing still remained, to a great extent, a skilled handicraft, carried on with small capital, in which a thrifty and industrious workman could 'set up for himself'. Many reputable firms of the present day {1954} trace their origin to small beginnings in the first half of the 19th century" (*ibid.* p.19).

"There is almost no trace among typographical societies of the blind rage and violence which characterised the lower grades, of labour, the handloom weavers, the frame-work knitters, and the Chartist 'physical force' men, in periods of social distress" (*ibid.* p.21).

ARISTOCRACY OF THE WORKING CLASS

"Printers were better paid than most other workmen. They belonged, in fact, to the upper ranks of the working classes and were very conscious of the fact. We constantly find them referring to members as the 'gentlemen' of such-and-such an office and to the printing trade as their 'profession', a profession which, they considered, was 'worthy of being ranked as the aristocracy of the working classes'. The *Compositors' Chronicle* stated that one of its aims was to 'maintain the claims of the profession to that rank among the industrious classes of Britain to which it is entitled, from its intellectual character and superior usefulness'..." (Musson, p.22).

"These pretensions were wearing a bit thin in the first half of the 19th century, but it was still felt by some that printing was a 'genteel' trade. Compositors were particularly conscious of the intellectual

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Printers and The Guilds

"The roots of trade unionism in the printing industry lie deep in the customs and regulations of the craft guilds. Trade unionism developed mainly as a result of two interconnected factors : economic revolution—the creation of a class of lifelong wage-earners, separated from the raw material, product, and instruments of production—and the breakdown of the Mercantilist policy of State regulation and protection, in face of commercial and industrial expansion and the spirit of *laissez-faire*. But:

'...it is not among the farm servants, miners, or general labourers, ill-paid and ill-treated as they were, that the early trade unions arose. The formation of independent associations to resist the will of employers requires the possession of a certain degree of independence and strength of character. Thus we find the earliest trade unions arising among journeymen whose skill and standard of life had been for centuries encouraged and protected by legal and customary regulations to the apprenticeship, and by the limitation of their numbers which the high premiums and other conditions must have involved' (Webb, S. and B., *History of Trade Unionism* (1920), p.44.)

"Journeyman printers, for example, like other skilled handicraftsmen, were steeped in gild tradition, men as a rule of superior education and almost aristocratic exclusiveness, better trained and better paid than the mass of wage-earners. Their apprenticeship regulations, their high premiums and entrance fees long maintained a virtual monopoly of this craft in the hands of skilled tradesmen, in whose ranks the masters themselves had, for the most part, served their apprenticeship. their trade clubs, were, in fact, divided by a wider gulf from the majority of manual workers than from the class of their small capitalist employers" (*The Typographical Association, Origins and History up to 1949*, A. E. Musson, Oxford University Press, 1954).

'FACTORY SYSTEM'

"Trade unionism in the printing industry was not, moreover, a product of the 'factory system', of large-scale works and mechanization. It developed years before there was any 'industrial revolution' in the trade, in the days of hand-press and hand composition, in small offices employing a mere handful of men" (*ibid.* p.2).

Printing was in its infancy when Guilds flourished between the 11th and 16th centuries. That was the era of the Mercers, Grocers, Goldsmiths, Ironmongers who today are all members of the twelve Great London Livery Companies. The Stationers' Company (Printers) could only attain 47th position out of the 48 companies in 1515-16, based on a company's economic and political power at the time.

Three dates are worth remembering in relation to the progress of the print industry : Johannes Gutenberg's development of movable type circa 1450; William Caxton's founding of the first printing office in England at Westminster Abbey in 1476 and Martin Luther's nailing of the 95 Theses to the door of the Wittenberg Church in 1517.

CRAFT TRADITIONS

"It is impossible, therefore, to understand trade unionism among journeymen printers in the 19th century without an examination of their ancient craft traditions and of the industrial development and structure of their trade. Printing has always been a most conservative trade; its terminology, its technical development, its 'chapel' customs, its apprenticeship system all attest to this fact. Much of this conservatism went into typographical trade unionism, which was primarily concerned with preserving a traditional standard of life among workmen who were carrying on their trade in a way which would not have unduly surprised Caxton {c.1422-1491}..." (Musson, p.2).

The draft below is from the 1954 Rules book of Cork printers, the sentiments would do credit to any Craft Guild of the 14th century:

"3.—The objects of the Society shall be:—To institute Rules for regulating the conduct and policy of members in all matters affecting their trade; to regulate the number of apprentices and hours of labour; to unite and organise members with a view to protecting and promoting their just rights, claims and interests; to maintain the standard of wages specified herein; to inculcate principles of Trade Unionism among non-unionists; and encourage and induce them to become Society members; to see that no injustice or injury is done by members to the interests of the employer; to settle amicably matters of dispute between employers and members; to assist members in search of employment; to compensate members who have suffered in the interests of the Society; to aid members desiring to leave Society or emigrate; to make provision for unemployed and sick members; and for deceased members' representatives" (Rules of the Cork Typographical Society, Established 1806, Constituted a Branch of the Typographical Association, Manchester, 1900).

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