

Irish election likely to be close

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The outcome of tomorrow's Irish general election is thought too close to call.

In total, 470 candidates from 14 parties are standing for 165 seats in 43 constituencies. Opinion polls suggest that Fianna Fail, currently with 80 seats and in coalition with the Progressive Democrats with 8 seats, will still be the largest party, but with significantly less of the vote than the previous election in 2002.

This means that a number of coalition combinations are possible, centring on Fianna Fail, or its main rival, Fine Gael, who currently hold 32 seats, for control of the Irish parliament, the Dáil Éireann. Either party could form a government in alliance with the Progressive Democrats, Labour, the Greens, or Sinn Féin, who currently hold 8, 21, 6 and 5 seats, respectively.

The Socialist Party, allied with the Committee for a Workers International (formerly the Militant Tendency), who have one seat, is also standing, as are several independents and Progressive Alliance candidates associated with the Socialist Workers Party. The Workers Party of Ireland, formerly the Official Sinn Féin, is also standing candidates.

Fine Gael, Sinn Féin, the Socialist Party and the Greens are all expected to do well, benefiting from a general dissatisfaction with the government. The Progressive Democrats are expected to do particularly badly.

However, few differences can be identified between the manifestos of the main parties standing for election. The overriding concern of them all is to defend the interests of the Irish-based super-rich, and aspiring layers of the middle class, by maintaining low rates of corporation tax while devoting resources accrued from taxes on working people towards all-Ireland energy and transport infrastructure spending.

All the parties propose some limited spending increases in housing and health, but only to the extent that high growth rates generate extra tax revenue.

Fianna Fail guarantees that the 12.5 percent level of corporation tax will not be changed and opposes any moves towards tax harmonisation across Europe, which

would undermine Ireland's competitive advantage.

Aware that Ireland's attractiveness to the major transnationals is already under serious threat, Fianna Fail acknowledges that the economic growth rate of 5 percent and more achieved over the decade is unlikely to last. The party sees a window within which relatively high growth can be sustained while resources are directed to more technically advanced and less labour-intensive industries, and Ireland's still backward infrastructure improved.

Fianna Fail promises to adhere to the recently published National Development Plan—a perspectives document to defend the Irish economy put together over the last months with the agreement of business and the trade unions.

Fine Gael, and its potential coalition party, the Labour Party, put forward exactly the same agenda. Both call for sound and prudent management of the economy, code for low public spending, 12.5 percent corporation tax and defence of the National Development Plan. Both call for new tax breaks for Irish business, oppose European tax harmonisation, and are looking to relieve the “regulatory burden” on corporate profit-making.

All four parties couch the economic core of their manifestos inside documents in which the parties' traditional constituencies are offered adjustments and concessions. Fianna Fail, allied to property and building interests, outlines a long list of building projects. Similarly, the Progressive Democrats propose a host of building projects and come down particularly in favour of a new port for Dublin, releasing the current city port to be further developed as a financial centre. Fine Gael calls for more police and less immigration, while Labour does the same while presenting this as part of a “Fair Society” based on “the necessity to build a new platform of competitive advantage for Ireland.”

All the parties acknowledge the need to sustain the housing boom without impinging on the interests of the property developers or banks. Most propose lifting stamp duty—a tax on house sales. In March 2007, the average house price in Dublin was an astronomical €429,151,

€265,767 in the regions.

To the extent that the Greens, mooted as potential partners of both Fine Gael and Labour, have any differences with the major parties, it is only that more attention should be devoted to clean energy-related industries. The party's manifesto dodges the issue of corporation tax by suggesting only that measures be taken to support indigenous companies, particularly those with "green" credentials, and that tax loopholes should be closed.

For its part, Sinn Féin, having finally entered government in Northern Ireland alongside Ian Paisley's Democratic Unionist Party, has spent the last few weeks dropping previous promises to increase corporation tax. Gerry Adams's party, preparing the ground for possible coalition talks with Fianna Fail, now concedes that corporation tax would not be altered, although the rest of the tax system should be re-examined to accelerate the economic integration of North and South.

Given the unanimity on fundamentals, the election campaign has largely focussed on the personalities and political experience of the prospective coalition leaders—Fianna Fail's Bertie Ahern and Fine Gael's Enda Kenny, and on the details of coalition combinations.

Fianna Fail, for months falling in the polls due to deep distrust in the working class over corruption and frustration over huge levels of social inequality, has in the last week recovered a little due to Ahern's association with the re-establishment of power-sharing in Northern Ireland.

Ahern shook hands with Northern Ireland's First Minister Ian Paisley at the site of the battle of the Boyne in 1690—hallowed ground in Ulster Protestant mythology. Days later, he addressed the Westminster parliament of Ireland's former colonial power, the first Irish premier ever to do so.

Ahern's pose as an international statesman served to distract attention from the continuing exposure of his financial relations with building contractors dating back to the period when he was former Taoiseach Charles Haughey's right-hand man. Ahern had been forced into making a statement that he had no knowledge of the disappearance of documents relating to his Dublin house, and that payments made into his personal bank account were legitimate. The statement follows the so-called "Bertiegate" scandal last year, in which further alleged payments to Ahern came to light.

By contrast, Enda Kenny is little known outside Ireland, and much media attention has focussed on his lack of

political experience. While not implicated in the scandals of the Haughey era, Kenny is considered to be rather ineffectual in comparison with Ahern. He was deemed by media commentators to have lost the TV debates between the two.

But class questions cannot be entirely excluded. Reports of Ahern's election walkabouts suggest that deep tensions are lying just beneath the surface of political life. When Ahern visited the town of Galway, he was asked by a passer-by if there was "any chance of a brown envelope [bribe money]." A woman called from her car, "You make me sick...with your brown envelopes. Liam Lawlor was the same...you don't care about the working class." Lawlor was a Fianna Fail politician jailed repeatedly for corruption and contempt of court, who died in a Moscow car accident.

In Dublin, Fianna Fail members of parliament were repeatedly confronted with working people pressed over the cost of living. The *Sunday Business Post* was forced to concede that due to rising costs—particularly housing—real pay has increased very little despite the huge wealth being extracted from Irish workers. Fianna Fail is most under pressure in Dublin.

This will not produce any change in policy. The same newspaper on May 20 ran an article, "Exposing the pressure points on economic policy," in which all the parties were questioned as to what would happen to their spending promises if growth rates stagnated or fell. All agreed that public spending would have to fall, while all placed differing emphasis on which part of spending would bear the brunt of cuts.



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