

Irish opposition parties commit to continue austerity drive

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All of Ireland's opposition parties are preparing to maintain and deepen the austerity measures imposed by the Fianna Fáil-Green Party coalition.

The budget passed on November 30 is the first in a series that will impose at least €15 billion in cuts. This is in addition to €14.9 billion already gutted from the budget since 2008.

The days leading up to the budget vote saw speculation mount that some backbench Fianna Fáil TDs (Teachta Dála—members of parliament) or independents would oppose the bill. With a majority of only two in the Dáil, this could have resulted in the budget's defeat. In the event, citing the "national interest", the putative dissenters fell into line and the coalition held together. On December 2, the government won a further vote by 80-76, passing legislation confirming the cuts in social welfare payments to be enforced beginning January 1.

In the wake of the budget's passage, Fianna Fáil appear to have united behind Taoiseach (Prime Minister) Brian Cowen, making it look more likely that he will lead the party into an election. He received strong praise for his performance in the Dáil during the budget debate on December 1, in which he attacked the opposition. According to the *Irish Times*, during a parliamentary meeting of Fianna Fáil deputies on December 2, all those who spoke backed Cowen.

Although the initial 82-78 vote in favour of the budget saw Labour, Fine Gael and Sinn Féin oppose the finance bill, these political forces do not fundamentally disagree with the thrust of the austerity measures. On the contrary, the response of these parties makes clear that if in power they would impose similar swingeing cuts.

Fine Gael leader Enda Kenny attempted to make a show of denouncing the government cuts, commenting

that the budget would "consign thousands of low and middle-income families in this country to near penury, a serious financial hit, a serious drop in living standards and pressure they could never have imagined."

But he failed to mention that his party would have followed an identical strategy. Fine Gael Finance spokesman Michael Noonan praised Finance Minister Brian Lenihan for his plans for fiscal consolidation. Other party spokesmen held out the possibility of Fine Gael backing certain parts of budgetary legislation that they agreed with.

The next day, Noonan sought to assure the international financial elite that a Fine Gael-led government, the most likely outcome of an election expected in early 2011, would be no less determined to make the necessary cuts. He stated that another budget could be required as soon as the early part of next year, if it became clear that the measures announced by Lenihan were not achieving the necessary level of savings. Fine Gael agrees with the current government that €6 billion of savings must be made in 2011.

Labour, a likely coalition partner, sought to portray themselves as the defenders of working people and the poor by criticising the cuts to social welfare payments. The party has instead argued that more of the savings should be obtained via tax hikes than spending cuts. Party leader Eamon Gilmore attacked Cowen in the budget debate for failing to immediately implement measures against tax exiles while the unemployed, carers and the disabled had been forced to take yet more cuts.

This is disingenuous coming from a party that has called for slashing spending by €4.5 billion in 2011 and supports reducing the budget deficit to 3 percent of GDP by 2014. In the party's budget submission published in the lead-up to the vote, Gilmore explained

that Labour's criticism was merely about the timing of the measures. "The level of front-loading of cuts and tax hikes planned for the Budget is simply too much to swallow in one year. We cannot cut our way out of this crisis, we must also have growth", he commented.

In the aftermath of the budget, repeating a theme of recent weeks, Gilmore said that even though Labour had voted against the budget it would not seek to overturn cuts should it take power. In any coalition with Fine Gael, Labour would play a key role in pushing forward with the austerity measures.

In response to the budget, Sinn Fein appealed to Labour not to go "rushing headlong into a coalition with Fine Gael", thereby mooting Sinn Fein as a potential partner. Dáil leader Caoimhghín Ó Caoláin denounced the cuts to social welfare as "savage", adding that a new government should seek to reverse them.

Sinn Fein's demagoguery has won it a certain amount of support, but its proposed solution to the crisis offers no real alternative. Its economic programme last month committed the party to reducing the budget deficit to the EU limit of 3 percent by 2016. The party outlined spending cuts and tax hikes to achieve this. It also asserted that a €7 billion stimulus package would be sufficient to return the economy to growth, a fantastic claim given the amount of banking debt for which the state is now responsible. Sinn Fein does not state where the money will come from to finance these loans.

Sinn Fein has stepped up its nationalist rhetoric, demanding that the state not pay the debts of "German" banks. Its campaign has minimised the role that the Irish bourgeoisie has played in the current crisis. One expression of this came when they supported powerful sections of business, by calling for the defence of Ireland's low-tax economy, a measure that all the parties in parliament backed in a vote last month.

The newly founded United Left Alliance (ULA) is essentially a coalition between the Socialist Party (SP) and Socialist Workers Party (SWP). It seeks to boost illusions in the Labour Party and the trade unions, and at the same time offer a purely national solution to the economic crisis. The purpose of the Alliance is explicitly laid out in a statement published on the Socialist Party's web site, which declares that it will seek to win seats in the Dáil in the coming election. Once there, a group of ULA TDs would focus on

pressuring the government in power, and in particular the Labour Party.

Outside parliament, the ULA seeks to tie every struggle within the working class to the trade union bureaucracy, which has collaborated with the government in imposing savage austerity since 2008. The unions will continue to do so by means of the Croke Park agreement, which has facilitated the destruction of jobs and wages by the government, even as a strike ban has been imposed by the bureaucracy.



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