

Irish general election campaign: All main parties committed to savage cuts

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Campaigning has begun for Ireland's general election on February 25. The poll was called following the collapse of the Fianna Fail/Green coalition led by Taoiseach Brian Cowen, after revelations about Cowen's close relations with leading figures in the ruined Anglo-Irish Bank. The next government, whatever its labels, will aim to take up where Fianna Fail and the Greens left off, by sharply intensifying the attack on the working class.

Facing electoral disaster following a string of emergency cuts imposed to transfer banking debts onto the working class, Fianna Fail and the Greens sought to delay the election as long as possible. In the end, however, Cowen was forced to resign as leader of Fianna Fail, shortly before the Greens walked out of the government, convinced that a change of government was needed to press ahead with attacks on living standards. The coalition's final act was to ensure that a Finance Act was passed, implementing the first tranche of cuts demanded by the European Union/International Monetary Fund following the €85 billion bailout last year.

The Act was supported by the opposition parties, Fine Gael and the Labour Party. Conservative Fine Gael is currently leading by a wide margin in opinion polls and is expected to be the largest party. Fine Gael has not even released its full manifesto yet, but the party's fiscal proposal document agrees with the previous government's EU/IMF-imposed timetable to reduce the public sector deficit to under 3 percent of GDP by 2014.

The document proposes further spending cuts, tax increases on a wide range of working people, a raid on the National Pension Reserve to pay for future investments, 30,000 public sector job losses, water charges, and the privatisation or closure of all non-

essential services. On health, Fine Gael's Faircare policy includes a radical reorganisation intended to boost profits and cut costs. It proposes a turn to private capital for new investment, and compulsory health insurance to be run largely by the private sector.

Fine Gael's expected coalition partner is the Labour Party, although the parties have not signed an agreement as they did prior to the 2007 election. This leaves open the possibility of a national unity government of Fine Gael and a much-weakened Fianna Fail. The Green Party, who have also yet to publish a manifesto, are unlikely to have any seats in the new Dail.

Fianna Fail's manifesto, "Real Plan Better Future", reads like the prospectus for an investment agency rather than a political party. It defends the party's record since 2007 in imposing attacks on the working population while channelling unprecedented sums into the country's immensely indebted banks. A "Plan for Jobs" is aimed at driving down production costs by "reducing the regulatory burden on business by 25 percent" and cutting investment costs and measures to force the unemployed into work, combined with calls to cut public spending.

Similar proposals have been adopted by all the leading parties, and have been endorsed by figures such as Dermot Desmond, one of Ireland's wealthiest financiers and founder of Dublin's International Financial Services Centre (IFSC)—the HQ to numerous hedge funds and financial speculators. Desmond, who avoided catastrophic property-based losses, is currently Ireland's third richest man. Nicknamed "the Kaiser", he and Fianna Fail propose to abolish the Seanad, the Irish parliament's upper house, allow unelected ministers to be enrolled into government, and to break connections between members of the lower house, the

Dail Eireann, and local areas. Their purpose is to help facilitate the introduction of measures directly against the interests of the majority.

Labour too insists that restoring international confidence in Irish banking is its priority. Its manifesto includes continued support for the IFSC and upholds Ireland's 12.5 percent corporate tax rate. Labour's only disagreement with Fine Gael is over the timing of public sector debt reduction, which it intends to carry though by 2016—two years longer than its prospective partner. Like Fine Gael, the party proposes widespread sacking of public sector workers—18,000 are to go under Labour's plans—while promising a new clampdown on welfare claimants. A further spending review is proposed, intending wholesale rationalisations across the entire public sector.

During the election, Labour's leader Eamonn Gilmore has blustered about his intention to renegotiate the EU/IMF package under the slogan "It's Frankfurt's way or Labour's way". Asked to comment on Labour's posturing, Jean Claude Trichet, president of the European Central Bank, was contemptuous. He noted, "The implementation of the plan is absolutely essential, in the opinion of the ECB, for the credibility of the country."

Sinn Fein's manifesto devotes a few words to the social misery resulting from the cuts and has some pledges of reform. It calls for the Anglo-Irish Bank to be closed down and for "burning the bank bondholders". Sinn Fein leader Gerry Adams has given up his Westminster parliamentary seat for West Belfast in Northern Ireland and is campaigning to be elected in the border county Louth, a traditional republican area. Adams has taken to denouncing a "corrupt and criminal" elite, and the party is anticipating being the beneficiary of general revulsion with the political establishment.

This is all smoke and mirrors. Sinn Fein's economic programme is little different from that of the leading parties. Its manifesto—in line with the party's role in government in the North, where it is imposing spending cuts demanded by British government—proposes, like Labour, to take six years to reduce the public sector deficit instead of four. To this end, some €3 billion in cuts are intended for 2011. Like Fine Gael, Sinn Fein suggests use of the pension reserve for "job creation"—i.e., subsidies to business. It also seeks a

referendum on a united Ireland and more cross-border integration. The manifesto's only reference to corporation tax suggests that the party is seeking to lower the Northern Irish rate to match that in the Republic.

Working people in Ireland confront a constellation of political parties committed to the defence of capitalism, to bailing out most or all of the Irish banks and state finance at the expense of social spending, while defending the island as an investment base.

The United Left Alliance, incorporating the ex-radical left, presents itself as nominally to the left of Sinn Fein and Labour, but has made clear it seeks a coalition with both.



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