

Irish referendum campaign offers workers no alternative

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As Ireland's referendum on the European Union (EU) fiscal treaty approaches, parties on both sides of the campaign are showing their readiness to deepen the attacks on working people. With the vote scheduled for May 31, the outcome remains uncertain, with a large percentage of the population against the treaty while many remain unsure.

The campaign has been dominated by a continuing deterioration in Ireland's economic outlook, brought on by the renewed crisis across Europe. The government in Dublin has again been forced to revise downward its economic growth predictions for this year and next, anticipating at best a rate of expansion of 0.7 percent of GDP for 2012 and 2.2 percent for 2013.

Ireland's debt to GDP ratio will rise even higher, surpassing 120 percent of GDP next year. The likelihood is that Dublin will need another bailout after its current support package of €85 billion from the EU and International Monetary Fund (IMF) expires in late 2013.

The governing Labour-Fine Gael coalition and the opposition Fianna Fáil are attempting to intimidate the population into supporting the treaty, utilising fear of economic collapse and the need for further EU money. They claim that accepting the EU's strict limits on state budgets contained within the agreement is the only way to safeguard Ireland's economic future.

Taoiseach (Prime Minister) Enda Kenny and Tanaiste (Deputy Prime Minister) Eamon Gilmore have both asserted that failing to approve the stability pact would prevent Dublin from accessing future funds from the IMF. Finance Minister Michael Noonan also stated last week that in the event of a no vote, his budget for next year would contain even deeper cuts.

Several multinational investors in Ireland have declared that a no vote will lead to them withdrawing

their operations from the country.

That the government is forced to invoke the possibility of a second bailout as the basis for its defence of the fiscal treaty testifies to the failure of the austerity programme of the past four years. Despite all the official propaganda about the need for deficit reduction to tackle state debt, the imposition of more than €25 billion of spending cuts and tax hikes has only deepened the economic crisis.

Unemployment remains among the highest rates in the euro zone at close to 15 percent, and almost all observers acknowledge that cuts will continue even after the end of the current planned reductions in 2016.

While seeking to tap into legitimate hostility to EU diktats, the parties involved in the No campaign offer no fundamental alternative. Led by Sinn Fein and the United Left Alliance (ULA), with support from some of the main trade union organisations, the No campaign does not call for a decisive break with the EU, a repudiation of the capitalist free market and the fight for a workers' government.

Instead, while framing their policies as a repudiation of the "austerity treaty", they claim that a popular no vote could be used to pressure the EU to agree to renegotiate certain elements of the same treaty.

Sinn Fein, in particular, has received very favourable coverage for its stance from the media, with opinion polls putting it at 20 percent. But its differences with the government centre purely on tactical disagreements as to the efficacy of the current fiscal treaty, and its call that the timeframe over which austerity measures are implemented should be extended.

The true face of the party is on display north of the border, where Sinn Fein sits in coalition with the Democratic Unionists in the Northern Irish administration in Belfast. It has worked consistently to

impose the austerity measures outlined by the Conservative-Liberal coalition in London.

The ULA is an electoral front dominated by the Socialist Party and the Socialist Workers Party. It is playing a critical role in promoting the perspective that a no vote can be used to build an alliance with those bourgeois parties across Europe that criticise aspects of the EU's austerity programme for damaging competitiveness in the euro zone.

Speaking before the result of last Sunday's French presidential election, ULA MP Clare Daly stated at a campaign meeting that voting on the treaty was "academic," since the likely victory of Socialist Party candidate Francois Hollande would lead to significant alterations to the compact.

Socialist Party MEP Paul Murphy was even more explicit in his hailing of Hollande as an ally in the fight against austerity, declaring, "Given Francois Hollande's promise that 'the treaty, as is, will not be ratified', his victory puts the Irish people in a unique position. This treaty is now on extremely shaky foundations, with the new French president saying he won't ratify it, as is, and the Dutch government still looking unlikely to be able to ratify it."

That the ULA can portray Hollande as an ally in the fight against austerity and EU diktats confirms its role as a defender of the bourgeois order, and its hostility to the fight for workers' power. Its No campaign is aimed at concealing the real objectives of a section of the European bourgeoisie that has determined spending cuts must be tied in with "structural reforms".

Hollande has declared his full support for the budgetary limits agreed in the stability treaty. His proposals for a new "growth pact" in Europe have nothing to do with creating decent well-paid jobs and providing for essential social services. Rather, following the example of the Obama administration in the White House—most notably in the case of GM—the aim is to target investment and subventions at certain key businesses, while drastically reducing workers' wages and conditions so as to improve the competitiveness of European capital against its rivals.

The No camp has the support of several trade unions, although the Irish Congress of Trade Unions (ICTU) has refused to take a position on the vote. Declaring its opposition to the treaty, the public sector SIPTU has stated that it cannot recommend more austerity to its

members and that what is needed is a "growth" strategy.

The unions fear above all that a popular movement against the austerity drive of the ruling elite could develop out of their control. These organisations have collaborated fully with successive governments to impose all of the attacks that have been carried through so far.

Under the no-strike Croke Park agreement with the government, they have assisted in slashing billions from public sector pay and spending. Now, even as a growing number of representatives within the political establishment call for the repudiation of Croke Park to allow for yet deeper cuts in the public sector, none of the unions have done anything to warn workers of the dangers they confront.

The fight against austerity can only be successful through the mobilisation of working people in a mass social and industrial struggle against the capitalist profit system. The rejection of the EU fiscal treaty must be made the starting point of a turn to the working class across Europe, on the basis of a socialist and internationalist programme. In direct opposition to a Europe under the dictatorship of the banks and the financial elite, workers must take up the struggle for the United Socialist States of Europe.



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