

Protests against poverty, housing evictions and repossessions spread across Ireland

Steve James
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Protests and occupations have been held in Ireland against impossible housing prices, high rents and homelessness. On December 1, around 15,000 people marched through central Dublin. The march was in remembrance of Jonathan Corrie, a homeless man who froze to death in 2014 outside Leinster House, home of the Irish parliament.

Figures released by the Department of Housing last July showed that nearly 10,000 people in Ireland are living in emergency accommodation. Housing campaigners suggest the real figure is double that. According to the Simon Community, some 81,000 people were living in insecure accommodation. Three hundred more people, including 86 children, were made homeless in November alone.

Testifying to pervasive levels of poverty in the city, some 3,000 people, including many elderly and children, queued December 20 for Christmas food parcels outside Dublin's Capuchin Centre.

In Cork, 328 adults were in emergency accommodation in July. This represented the highest monthly number of adults in emergency accommodation—an increase of 32 percent in 12 months and a rise of 59 percent in two years.

Rural Ireland is gripped by the same social tensions. Since April this year, the Irish Farmers Association has been operating a land sale boycott against sales imposed to extract debts from farmers. Some 2,500 farmers are said to be affected.

On December 11, two brothers and a sister, all in their 50s and 60s, were forcibly evicted from their farm in Strokestown, County Roscommon. This was in pursuit of £300,000 in debts, said to be owed to the Belgium-based KBC Bank of Ireland and dating to 2009. The move followed a High Court judgment for debt enforcement.

The eviction was peacefully but unsuccessfully opposed by local supporters of the family. Videos posted online showed uniformed security guards manhandling to the ground one of those being evicted. Sixty-four-year-old David McGann suffered bruises and lacerations while Gardai (police) looked on.

The security guards were reported to be from a Northern Ireland-based security company with Loyalist connections.

Five days later, in the early hours of the morning December 16, the security guards still in occupation of the house were themselves thrown out. Unidentified supporters of the family mobilised en masse. A number of the security guards were beaten and their vehicles burnt out. The McGanns are now back in their home.

The family have broad sympathy. As many as 1,200 people demonstrated in support of the family the following week in Strokestown. Protesters denounced the Gardai, the banks—including KBC—the Fine Gael government and its Fianna Fail prop. One placard compared the evictions with the actions of the despised Black and Tans—military veterans recruited by the British government after World War I. The Black and Tans became infamous for burning Irish villages and murdering civilians.

Protests were also staged against KBC Bank.

“Yellow Vest” type protests have emerged involving hundreds of people, emulating the larger protests in France. On December 22, hundreds of Yellow Vests marched around Dublin opposing evictions, high rents, bank bailouts, climate change and the high costs of living. One week later, a smaller group marched through the Port Tunnel in Dublin, blocking all traffic. One protester carried a banner reading, “Ireland, probably the most corrupt country on earth.”

Behind the protests lie the extreme daily pressures

being exerted on workers, sections of the middle class, farmers and small businesses by the banks, corporations and hedge funds that dominate Ireland.

House prices are unaffordable for many. Dublin is one of the highest priced cities for accommodation in the world. Average house prices in the city are now as high as €370,400, while even in Limerick the average is now €194,200—up 9.8 percent in just one year.

The banks and hedge funds, backed by the government, are seeking to maximise returns on thousands of mortgage debts in long-term arrears. Some of those date to the financial crash of 2008, in which the European Union, at the behest of the Irish government, bailed out Ireland's banking system to the tune of €62.7 billion. To claw this back, years of savage austerity measures were imposed on the working class by successive Fianna Fail and Fine Gael governments.

Attention has focused on the role of so-called “vulture funds.” These are hedge funds or private equity firms that buy up “distressed” sovereign or property-related debt from governments and banks at a fraction of the nominal value of the debt. The funds make a quick return on their investment, before selling on the debt.

In Europe, after 2008, particularly in Ireland, Greece and Spain, hundreds of thousands of ordinary mortgage holders found themselves unable to pay back loans on property whose value had collapsed, and for which the market had disappeared.

According to the Debt and Development Coalition Ireland, in 2014 there was an estimated €879 billion worth of distressed debt across Europe, mostly in the form of bad property loans. Of this, some €233 billion was held by “bad banks”, such as Ireland's state-owned National Asset Management Agency (NAMA), which originally took on €73 billion worth of debt.

NAMA and the now defunct Irish Banking Resolution Corporation (IBRC)—the nationalised remains of Anglo-Irish Bank—sold on vast sums of bad debt to the vulture funds. In 2013 and 2014, NAMA and the IBRC accounted for over one third of all assets, €36 billion, sold to vulture funds such as Lone Star Capital, Cerberus, Oaktree Capital, CarVal and Marathon. Lone Star also acquired Lloyds Bank's entire book of mortgages—some 4,000 accounts. Permanent TSB Group Holdings (PTSB), also mostly state-owned, dumped subprime mortgages onto Mars

Capital Ireland.

Irish banks were recently forced by the European Union to accelerate these transfers. Earlier this year, PTSB confirmed another loan portfolio worth €1.3 billion had been sold to Lone Star. Through these sales, PTSB has reduced its non-performing loans from €9 billion to €5 billion. The portfolio includes 7,400 owner occupier mortgages, a quarter of which have been in arrears for more than 40 months. Subsequently Ulster Bank sold 5,200 mortgages to Cerberus.

Overall, according the Irish Central Bank, of a total 728,000 mortgages in Ireland. 64,500 were in arrears. Of these 45,200 had over 90 days arrears.

Homeowners behind with their mortgage to vulture funds are more likely to face eviction than if the mortgage had stayed with a state-owned bank. In total, vulture funds now hold 13 percent of all mortgages over 90 days in arrears and 17 percent of those over 720 days in arrears, a total 28,100.

As night follows day, housing repossessions have sharply increased, with all the signs that more are to follow. Irish-based affiliates of CarVal, Goldman Sachs and Deutsche Bank racked up £32.7 million of debt enforcement judgments in their favour in one eight-day period at the end of September alone.

Enforcements registered by vulture funds in 2018 to date are already more than five times the entire 2017 total. Enforcement allows the distressed borrowers' assets to be seized. One hundred sixty-one homes were repossessed in the third quarter of 2018.

This brutal policy has been determinedly upheld by Prime Minister Leo Varadkar's government. In a recent interview Varadkar, who postures as socially liberal, complained about the use of the term “vulture fund.” Defending their policies, Varadkar was “reluctant” to use the term because “you'll know, from the numbers, that they're often better at write-downs of loans than our own banks are.”



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