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Starve, emigrate or fight!



Well into the collapse of the Celtic Tiger the former Taoiseach Bertie Ahern was still in high demand on the international lecture circuit. As late as February 2009 he was the guest speaker at the Honduran National Business Council, where he gave a lecture (for a fee of 10,000) entitled “The Celtic Tiger: The Irish development model.” In an advertisement promoting the lecture the newspaper *La Tribuna* hinted what his speech might be about. “Nothing about the dramatic situation in the Republic of Ireland at the start of the 20th century—with their recently acquired independence, hurt by tragic levels of inflation, massive emigration and alarming levels of unemployment—could have foretold their sudden transformation from ‘the Cinderella of Europe’ into what we now know as ‘the Celtic Tiger.’”

What the advertisement didn't tell readers about was the collapse of the Irish economy in a mire of broken banks, rising unemployment, renewed emigration, ghost estates, and crisis-ridden social services.

Now, a year and a half later, with unemployment running at about 286,00

and the Economic and Social Research Institute in its latest *Quarterly Survey* forecasting that at least 120,000 people will have emigrated in the two years ending April 2011, the fact that Ahern can no longer hope to generate fees in the region of €10,000 per night is one of the least serious side effects of the collapse. ◀

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The emigration prediction is staggering and will take us back to the kind of numbers emigrating at the end of the 1980s.

The historian J. J. Lee once wrote that the Irish “socio-economic system” is one that “decreed mass emigration and national population decline as pre-requisites for the comfort of the ‘survivors.’” This perhaps prompted the great liberal Garret Fitzgerald to recently portray Irish unemployed workers as being “cushioned” by the 80,000 departing migrant workers and their families.

Cushioned from what? From unemployment? No: 160,000 of them have just lost their jobs.

From emigration? No: his own analysis, based on the patterns of the 1980s, shows that emigration rates build up over a three to four-year period. This perhaps explains another ESRI prediction: that 200,000 people will emigrate between now and 2015.

While there has been quite a lot of media coverage of various aspects of present-day emigration, official Ireland has been for the most part silent.

Even President McAleese is unusually reticent. Yet not so long ago she, in partnership with Bertie Ahern, was touring eastern European countries, telling their governments how membership of the European Union had solved Ireland’s emigration problem and brought about the Celtic Tiger—and how they could expect the same once their countries joined. Now the scourge of emigration is hitting the citizens of many of the countries whose leaders were conned by the two high-powered EU sales reps.

A variation on this approach was recently illustrated in a speech by the governor of the Central Bank, Patrick Honohan, to the Japan Chamber of Commerce in Tokyo when he told his audience that in the past “Ireland had been exporting what was seen as its surplus population to fuel growth in the New World as well as in the UK and elsewhere. The pattern had long been established of emigration by those who sought a wider horizon and better opportunities than seemed available at home.” The clear message was that this was now a thing of the past.

He went further a few days later in Renmin University in Beijing when he enthused about

immigrants from the rest of Europe, from Africa and from China “flooding” into Ireland at the height of the Celtic Tiger era. His audience might have wondered where they are now. Honohan did not inform those present about the drop of 105,000 in the number of these immigrants at work, nor about Garret Fitzgerald’s view on how this represented a “cushion” for Irish workers.

Despite the occasional rhetoric about “lost generations,” emigration has provided a safety valve for Ireland’s parasitic ruling class. Through emigration, the bottled-up frustrations of the exploited and the oppressed have historically been dissipated to the four corners of the earth and the prospects for the development of real alternatives stymied.

As Alexis Fitzgerald—the wealthy lawyer who served as adviser to two Taoisigh, his father-in-law, John A. Costello, and later Garret Fitzgerald—once acknowledged on behalf of his class, “While there is a danger of complacency, I believe that there should be a more realistic appreciation of the advantages of emigration. High emigration . . . releases social tensions which would otherwise explode, and makes possible a stability of manners and customs which would otherwise be the subject of radical change.”

Just as the Unionist ascendancy form of government in the North required discrimination to be incorporated in all aspects of life, so emigration contributed to the continuing rule of a golden circle of bankers, speculators, asset-strippers and fronts for transnationals that contribute nothing to the production of real wealth.

This group is primarily responsible for the stifling of any state initiatives independent of the transnationals; it is influential in top state circles and dominates the formulation of economic and financial policies.

It stands as the main obstacle to the development of an employment programme that would go beyond aspirational statements and be an actual programme with an associated strategy that would be driven forward and implemented.

This time, those contemplating emigration should seriously consider the better alternative for themselves, their children, and generations to come: stay and fight! [CMK]

Making workers pay again!

Nine hundred customers per day are disconnected by the ESB for failing to pay their electricity bill; 350 Bord Gáis customers per month are disconnected for failing to pay their gas bill. In both circumstances a reconnection fee must be paid. So the news of a “rebalance” of payments must surely be welcomed.

But, sadly, the “rebalance” is not a response to this crisis but instead a response to recent statements by Intel and Lufthansa Technik, among other companies, that warned that any increases in their bills would not be tolerated, with a Lufthansa spokesperson saying it would be “viewed very poorly by our superiors in Germany.” They both argued that an increase would threaten jobs and the status of corporations in Ireland.

Immediately the Minister for Energy, Éamonn Ryan, jumped to their tune and requested that the Regulator “rebalance” bills and rates in favour of big business. The result is that households now face a 3 per cent increase in energy charges—all to foot the bill of big business. This is in addition to the 5 per cent “green levy” being imposed—that is, citizens subsidising the profits of big business involved in so-called “green energy” production.

In a statement to the *Sunday Independent* the Energy Regulator said: “On foot of a Government decision we have recently proposed to rebalance network charges from domestic customers to large energy users, so that large energy user network charges will be lower from October 1 than they otherwise would be. The Government’s intention here is to assist in reducing costs for large energy users, who often face significant foreign competition, in order to help support jobs in this country.”

Once again workers are victims of a redistribution of wealth upwards to big business, as the Government bends over backwards to accommodate their desires and wishes.

In addition to this, banks are due over the coming weeks to increase their variable interest rates on mortgages in an attempt to make residential customers plug the hole created by irresponsible and reckless speculative investments that created the biggest losses in corporate history.

Leaving aside those unemployed people living in or near constant poverty, the Government’s strategy of making working and poor people pay for the crisis is driving working people into poverty. The Government is creating a mass of working poor barely able, or not able, to pay their basic bills.

A vicious class war is being waged by the state, representing the interests of monopoly capital. Until those opposed to this realise that it is a class war that we are in we will only be firefighting on small issues and missing the massive bigger picture. Progressive people need to come forward and take on the responsibility of waging class war back at them. [NL]

The rich get richer, and there are more of them!



The Government would have you believe that, because of the global economic crisis, all of us have to share considerable pain to right the financial mess they and their cronies have got us into. On the face of it it would appear that this is the case, and certainly most of the media have been peddling the story that we should brace ourselves for an exceptionally abrasive budget this autumn.

But all might not be as stated. Two recent financial reports, which have received little or no media coverage, when considered against this financial backdrop are enough to either irk the most patient of us or, even more so, fan the flames of revolutionary response hopefully inherent in us all!

The Boston Consulting Group

published a report in early June entitled “Regaining Lost Ground: Resurgent Markets and New Opportunities,” which reported facts on the global economy. While we are informed that we are in the midst of a crippling recession, the report states that global wealth staged a remarkable 11? per cent comeback in 2009.

The report went on to say that Europe remained the wealthiest region, with a third of the world’s wealth—\$37.1 trillion—and that global wealth is expected to grow at an annual rate of nearly 6 per cent from the end of 2009 to the end of 2014.

This news appears to represent manna from heaven and to mean that we are finally “turning the corner.” Not so. The report goes on to say that as wealth grew

it became more concentrated. “Millionaire households represented less than 1% of all households but owned about 38% of the world’s wealth, up from about 36% in 2008.”

A completely separate report, by Merrill Lynch Global Wealth Management and Capgemini, suggests that Ireland is following a similar pattern of the increasing concentration of wealth. It said that in 2009 the number of Ireland’s rich grew by 10 per cent, with an additional 1,800 Irish people having investable assets of \$1 million or more. In 2009 the population of Irish millionaires increased from its 2008 figure of 16,300 to 18,100.

The same report states that eighteen more “ultra-rich” were created in 2009, increasing this population to 181. These are individuals who have investable assets of \$30 million or more.

As you and I can fully expect the negative financial impact of another haircut budget, there are those in this society who not only appear to go unscathed but are actually benefiting from the recession.

These facts about the growing disparity of wealth have been totally ignored by the establishment media, from RTE to the Irish Independent.

Despite all that has been said, there is more than enough wealth in this country, if only very slightly redistributed, to negate the worst effects of this recession. Facts like those presented, if reported by the media in the same way that sections of the media slavishly attack trade unions and workers, might spark the public imagination to the effect that there is an alternative to laissez-faire capitalism. [CC]

How the classes are treated, and who is paying for the crisis

On 19 August information was released to the public that exemplifies the class nature of the system and the class nature of who is to pay for the present economic crisis.

Bank of Scotland, Ireland, announced its closure and winding-down plan for its operations that will eventually see close to a thousand workers directly lose their jobs. Subsequent reports reveal the penetration of Bank of Scotland into the hotel industry, in providing working capital for those businesses, and suggest that the total number of job losses as a result of this decision is likely to be more.

The wound-down business will apparently be sold by Bank of Scotland to an independent company set up by its present senior management. This will enable the parent company to wash its hands of its operation and avoid having to make redundancy payments to the vast majority of its employees.

It would appear that the only way for this scheme to be profitable for both the parent company and its senior management in Ireland is for workers’ redundancy payments to be substantially reduced by the employing company. While service is protected by transfer legislation, no such protection exists for redundancy terms.

On the same day as this was announced the papers reported that senior executives in Anglo-Irish Bank received pay increases this year above the levels recommended by the Remuneration Oversight Committee. This was done with the knowledge and approval of the Minister for Finance, Brian Lenihan, on the grounds that the work load of the senior management and directors had increased substantially, and that it was necessary in order to be competitive and to retain the services of these senior executives.

The chairman of the board received an

increase of 14 per cent, from €218,000 to ?250,000, while the pay of non-executive directors (part-time members of the board) was increased from €44,000 to €73,000—an increase of 65 per cent!

An internal memo from a department official had recommended pay cuts for the senior management in Anglo-Irish Bank. Lenihan not only rejected this, and the recommendations from his committee on remuneration, but went on to agree to the massive pay increases. So much for Fianna Fáil’s patriotic “everyone must pay” policy!

The class nature of the state and of the interests on whose behalf it governs are now obvious for all to see.

What is needed now is a political and ideological fight back that questions the legitimacy of the system behind all this—capitalism—and of the states that represent it. [NL]

Introducing Marxism

Capitalism is in deep crisis.

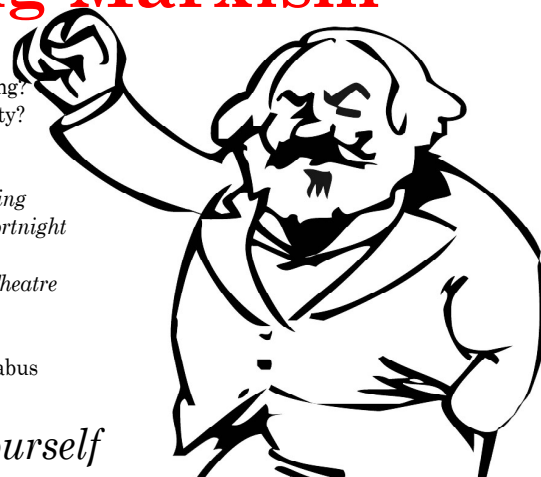
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Educate to liberate yourself



The great “start your own business” con



The media are full of programmes promoting the idea that starting a new business is the way to go, particularly for the unemployed. This has a twofold purpose: firstly it takes responsibility away from the Government for running the country in a way that ensures stable employment, and secondly it gives the message that being unemployed is really only an attitude, and that if only one tried one could get a livelihood.

The media are delighted that they have a new angle for cheap programmes in which the public provide the content. We see happy people succeeding in starting new businesses, with expert guidance from a variety of people—from some genuinely providing a service to some of the greatest proponents of exploitation in the country, such as Bill Cullen. He would have people work for nothing, knowing right well that only the very few can succeed.

Having one's own business will not solve the unemployment problem of 455,500 people (or more if we take into account the self-employed who have failed, and those who have emigrated and so do not appear in the statistics). It is well known that between 80 and 95 per cent of new businesses fail, according to many studies, and that even small firms associations in other countries give businesses only a 50 per cent chance of survival for four years, even with guidance at the setting-up stage.

This “solution” to the unemployment problem is a con. It is shocking to think how many people have put all their savings, redundancy money or borrowings on their house into starting a business and then losing it all. The heartbreak is private, and the shame means that it will be hidden as much as possible.

Talk to some taxi-drivers who put all their

redundancy money into buying a taxi licence and a suitable car only to find a saturated market—such a waste of hopes and effort, trapping families who are ruined; and nobody seems to care. All over the country there are shops and services of all kinds that started up with new paint and fittings only to close down some months later.

This is a complete waste of talent and effort, which could have been put instead into co-operation with others in a way that benefits the whole of society. It fosters only individualism, which is a detriment to real progress.

Worse still, when a self-employed person goes to the social welfare office to apply for unemployment benefit they find they are entitled to nothing; they rarely get unemployment assistance; and so they do not appear in the job-seekers' statistics.

These programmes are a free way to get across the ideology of private wealth and competition, undermining the right of working people to expect decent wages and conditions. This is how Michael O'Leary—who single-handedly reduced the quality and comfort of air travel, worsened the pay and conditions of his staff, and strongly opposes unions—is promoted even as a possible leader of the country! He bullies even the Government that promotes his ideology.

These immensely rich people promote the idea of people working for nothing, on the pretext of gaining experience, which is a luxury that only those who have something to fall back on can afford. How can someone who has no money for food, rent or transport work for nothing? This is a dangerous practice that is exploiting the present desperate situation and attempting to change the idea that an employer must pay for work done.

It is interesting that no-one in the media is

promoting a conflict between people working for nothing and ordinary working people, as they constantly do between public-service and private employees and between workers and social welfare recipients.

Recessions are marvellous times for the rich: they clean up, and after each recession the wealth is concentrated even more than before, which has been established following each major recession since the nineteenth century.

RTE's copy of “Dragons' Den,” with its “five wealthy and successful venture capitalists” who “are not afraid to say ‘no’ in the harshest of terms,” subjecting people to humiliation and degradation for the sake of cheap entertainment, is a sickening sight and something we should fight against if only on the grounds of human decency. The RTE blurb declares that “if they spot an idea with that extra special something, they and they alone will have the power to make dreams come true”—and for this they can take a massive share in the ownership of the future business for putting in capital that for them is peanuts.

Self-employment cannot solve the unemployment problem, while its promotion is a distraction that sets up false solutions that can be argued about incessantly in the media while delaying the emphasis on real, united opposition to job losses.

Humans got to where they are today by co-operation and by socially combining, despite exploitation by an elite minority. Our future lies along that path and not the path of greed that is being promoted by the media.

The fight against the present condition of the world is urgent, for the sake of our future survival in an increasingly threatened planet that has been ruined by this outdated ideology.

[DUB]

Paper never refuses ink

As the old saying goes, “paper never refuses ink.” This clearly applies to the American news magazine *Newsweek*, for it declared in August that our illustrious Taoiseach, Brian Cowen, is one of the top ten “leaders” in the world.

Of course he is in some fine company, from Saudi Arabia, Mongolia, Singapore, and India, as well as that of David Cameron, now keeping the seat warm for British bankers and financial corporate heads in London.

What did *Newsweek*, that illustrious mouthpiece for corporate USA, write in relation to our Brian?

“With Ireland's once-roaring economy staggered by the banking crisis—unemployment is at 13 percent, emigration is rising, and the money markets rank Ireland not far behind Greece on the list of Europe's big-time losers—Prime Minister Brian Cowen and his able finance minister, Brian Lenihan,

200,000 people who have emigrated looking for work to come home and be reunited with their families and communities, or that old people's pensions have been restored, or that the rich and powerful have been forced to pay a greater share of their wealth to help the country out of the crisis that they are responsible for, or that the bankers and property and financial speculators have been banished from state power . . .

No, our Brian is one of the top ten “leaders” because he has served the rich and powerful so well over the last two years. He is getting rid of the unemployed by forcing them to emigrate (some estimate a further 200,000 over the next year and a half), the banks and finance houses have been bailed out, and Irish workers—those who are left—will

be forced to carry the debts of the rich for decades to come. The interests of the European Union have been well secured, and German and French bankers can sleep easy in their beds, as the Irish people will pay back the debts owed to them by Irish banking speculators. The guardians of the gates are firmly in control.

The education system is bursting at the seams from overcrowding, fewer teachers, and fewer resources. The plague of children from working families getting inside the hallowed gates of third-level education will shortly come to an end.

In a more civilised society, the paper used to produce such drivel would be put to better use producing schoolbooks, or toilet paper. [EMC]

On a royal visit



are prescribing harsh medicine. They've pushed through austerity packages drastic enough to win the admiration of the international community, raised taxes, and slashed some public salaries by more than 10 percent.”

So the benchmark is not whether the Irish health service provides everyone who needs to go to hospital with the means to do so without waiting for days lying on a trolley, or that all medicines required by sick people are available on the medical card, or that equality prevails in the provision of health services, or that class sizes in schools have come down and the Third World conditions of rat-invested schools have been banished by the Pied Piper, or that the number of unemployed has stopped going through the roof and is in reverse, or that the call has gone out to the



This is a short extract from “*The Irish Avatar*,” written in 1821 by George Byron, one of the greatest poets in the English language. Though by birth a member of the English aristocracy, Byron was an opponent of the Tories and a defender of the Luddites (who smashed the equipment of employers who drove down wages). He supported the national liberation struggle of Italy and participated in the liberation struggle of Greece, where he is now a national hero. He wrote “*The Irish Avatar*” in a fury when he learnt of the intended visit to Ireland of George Hanover (“King George IV”) and presented it to his friend Thomas Moore, whose style he imitates in the poem. It is not hard to see the similarities between the grovellers of 1821 (headed by Daniel O'Connell) and those of today.

But he comes! the Messiah of Royalty comes—
Like a goodly Leviathan rolled from the waves—
Then receive him as best such an Advent becomes—
With a legion of cooks, and an army of slaves . . .

Let the tables be loaded with feasts till they groan—
Till they groan like thy people, through ages of woe—
Let the wine flow around the old Bacchanal's throne,
Like their blood which has ?owed, and which yet has to ?ow . . .

Shout—drink—feast—and flatter! Oh, Erin! how low
Wert thou sunk by Misfortune and Tyranny, till
Thy welcome of Tyrants hath plunged thee below
The depth of thy deep in a deeper gulf still . . .

Till now, I had envied thy sons and thy shore,
Though their virtues were hunted, their liberties ?ed—
There was something so warm and sublime in the core
Of an Irishman's heart, that I envy—thy dead!

Blair and the media

The promotion of Tony Blair's book by a visit to Dublin with a book signing in Eason's and an appearance as a guest on RTE's "Late Late Show" is just one aspect of a concerted campaign to change public opinion about the invasion of Iraq and Afghanistan and the continued occupation of those countries, with tens of thousands of deaths and the horrific torture and imprisonment of thousands of others. The war has caused the destruction of some of the most beautiful cities and buildings in the world and in Iraq the dismantling of a sophisticated social infrastructure and public services system and the stealing of valuable resources.

Blair, of course, was the head of a government that, along with the United States and Israel, has the biggest military spending in the world and was representing that interest, but he still had individual power that could have brought about a different outcome.

This promotion of his book is a well thought-out media campaign to rehabilitate a man who is widely considered a war criminal and is the most hated person in Britain, where the majority of people opposed the invasions and continued occupations.

The use of the media to change public opinion has become very sophisticated, and the media are quite happy to oblige, as it gives them the continued legitimacy to rub shoulders with the powerful elite.

No longer do they need to set up current-affairs programmes, with balance and reasoned debate, when they can saturate all their programmes with subtle comments and carefully inserted messages to unwary listeners.

For some time now the relentless pushing of a pro-war British army view has permeated such unlikely places as the televised opening of Premier League football matches, with wounded soldiers and soldiers' widows being paraded before matches, soldiers' wives and widows being given "make-overs" in fashion magazines, and televised concerts and award ceremonies having an obligatory mention of "our brave heroes."

Television chat shows and radio programmes increasingly mention stories about this or that soldier. There are documentaries about life on board warships, programmes about wounded soldiers in hospital, and funeral parades. The word has gone out, to the BBC in particular, that the British government wants a positive view of the war.

Of course we know that people join armies when they have no hope of getting work that pays as well, and we must be sorry for the relatives and the maimed; but that is a different matter from acquiescing in the continuance of a criminal war.

People are so preoccupied with trying to survive unemployment, the ruthless dismantling of public services and attacks on wages that opposition to the war is hard to maintain.

We got our own version of this media saturation with the immediate filling of the air waves with how dreadful it was to vote against the Lisbon Treaty, and more recently the constant insertion of

comments aimed at dividing public and private-sector workers over wage cuts.

That is why we also have to adopt new tactics to deal with this saturation, by actively engaging with the media at all levels to voice our opposition.

People feel they are helpless; but programme-makers take notice when floods of complaints come in. There are a lot of people who oppose not only the wars but the way right-wing governments and their media are delivering the message of the rich, attacking unions and kowtowing to transnational corporations.

While it will take some time to build up a strong, organised opposition to this onslaught, the simple act of picking up the phone or sending e-mail to the media or Government minister concerned sends a message that we know what they are doing and that we do not give it our consent. [DUB]

Popular culture



"A National Light"

In recent times, music, rock music in particular, has tended to be void of political or anti-establishment sentiments, a trend that worryingly found prominence in Ireland.

Bucking this trend, however, is a Dublin band, the Rags, who, led by Daniel Anderson, over the past number of years have released a string of brilliant if underrated singles and played scores of impressive live shows. Their long-awaited debut album appeared to elude them until now; and A National Light has certainly been worth the wait.

It's refreshing to discover a band dealing with the everyday complexities of Irish life and the many issues, social and political, that are often left to the preserve of the folk fraternity.

Their style and sensibilities have much in common with those of the Libertines and the Smiths, having the ability to comment substantially on social issues while wrapping it up with beautiful poetic lyrics, catchy hooks, and cracking tunes.

While there are influences from further afield, it's rooted deeply in Dublin through lyrical content and the distinctive raspy vocal delivery, akin to a Dublin Johnny Rotten. It is the marriage of these two strands that hits the spot.

The opener, "Uniforms and Neckties," is an angry, stinging attack on the modern money and material-obsessed rat race. "A National Light," with a little help from James Joyce, declares a dream where parliament is "sacked" and there is a new, shared ownership of the city. Whilst the record is quite angry and forceful, it's still very upbeat, steering clear of the pitfalls of angst, whinge-ridden rock, which has destroyed many an Irish band, instead delivering an enjoyable and formidable record.

This might have arrived just in time: with a country full of anger and despair they can provide some confirmation that we are not the only ones. You might not always agree with what they say, but, like so many great songwriters, he is baring his soul to the world for all to see, and that kind of truthfulness and honesty must be saluted.

A National Light is out now. [BH]

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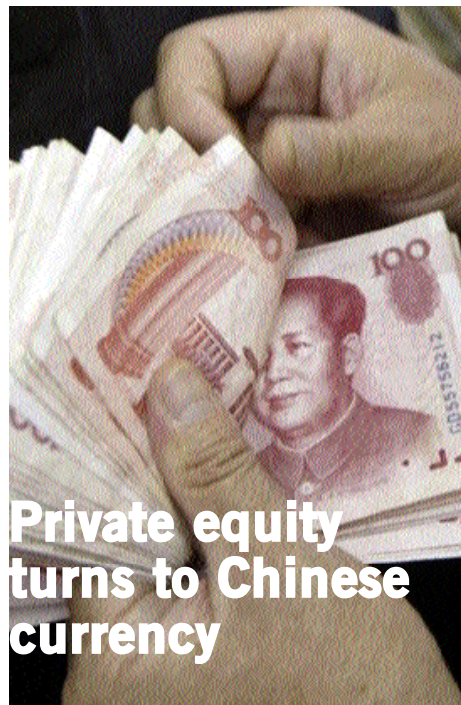
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FOR A PEOPLE'S ALTERNATIVE BUILD THE PEOPLE'S RESISTANCE



Private equity turns to Chinese currency

An interesting development is now under way in the murky world of private equity firms and investors. Where previously these funds kept their billions and counted their assets almost exclusively in dollars, a number of important private equity firms and hedge funds are turning to the Chinese currency, the *yuán*, to secure their capital and make future investments.

TPG, one of the world's largest private equity firms, with about \$57 billion in assets, recently launched an all-*yuán* fund, the world's first fund denominated entirely in the Chinese currency. In addition to this the massive private equity firms Blackstone Group and Carlyle Group have begun raising funds in *yuán*.

Does this signify the end of the dominance of the dollar? It's too early to tell; but when combined with a historical view of economics and with the underlying weaknesses of the American economy, with its massive deficits and loans from the Chinese, it certainly reflects a significant power shift towards China.

The *New York Times* quoted analysts as saying that private equity and finance is increasingly looking to the fast-growing Chinese economy as an important avenue for investment, while the Chinese government aims to make Beijing and Shanghai into global financial centres that can compete with New York, London, Tokyo and Hongkong by offering incentives, including tax breaks and assistance with navigating regulations, to attract private equity firms to establish funds in their regions. The Chinese state is even privatising the management of its sovereign funds, by allowing private equity to bid for management status.

Could the massive market that is China be the avenue for finance capital and its required speculative activities to achieve the required growth for the system, while plastering over its deeper crisis? Time will tell. [NL]

Alf O'Brien (1938–2010)

After a short period in the Department of Foreign Affairs, Alf O'Brien took up his post as lecturer in mediaeval history at UCC. Many students of history and archaeology who attended his lectures will no doubt remember his individualistic and idiosyncratic approach to the subject matter.

He believed in socialism as the best way to advance to a more egalitarian society, and after settling in Ballincollig he became secretary of the Labour Party in this expanding Cork city suburb.

His world of academia, particularly with regard to his grasp of economics and commerce (historical and contemporary), were of great benefit to his colleagues when it came to the necessity for an analysis of present-day Irish society. However, he felt badly let down after 1973, when the Labour Party entered into Government with Fine Gael. He felt that the working-class vote, garnered by activists like himself, had been used not to advance the cause of socialism but rather to give a kiss of life to a party of the right.

However, in spite of the setback of electoral politics, his work continued as union representative in his employment. He was the secretary of the UCC Academic Staff Association (Cork Branch of the Irish Federation of University Teachers) and ASA delegate to the Cork Council of Trade Unions.

There was no doubting Alf's brand of socialism. After Yevgeny Lagutin of the International Department of the Communist Party of the Soviet Union gave a public lecture on Soviet socialism in the Crawford Gallery in Cork in 1986 Alf accepted that many of the advances enjoyed by workers in western

Europe had in fact come about because of workers holding state power in the Soviet Union and the other socialist states of eastern Europe.

Like many other communists, he was shocked by the victory of the counter-revolutionaries in Europe that took place between 1989 and 1991. However, at this time his academic skills were again to come into play. Having been a guest lecturer in the German Democratic Republic, he had vast knowledge of the key industries in that society and was more than able to tell the visiting German ambassador of the now united Germany, visiting UCC in 1992, that previously solid industries in the east had been "reformed" by being bought out for the purpose of expanding West German capitalist enterprises, or bought to be closed down so as to avoid any real competition in the new market-led economy.

Alf, to the best of his ability and in spite of failing health, continued to keep the Red Flag flying in the fight to defend the gains in the present day, as we now experience one of capitalism's most aggressive attacks worldwide.

His retirement was not good to him, as he suffered various maladies of the body, and a severe mugging had an impact on his health. Alf was an active member of the Communist Party of Ireland for many decades, until poor health prevented him from playing any active role, but he identified with the programme of the party and remained a committed supporter until his dying day.

The carbon molecules that made up the mind and body of Alf O'Brien took on a different composition, and he is no more.

We offer our condolences to his wife, Frances, and to his brother, sister, and other relatives. We will retain the fond memories of the stories, the debates, the rapport and the pleasant company of a great comrade. Our tribute: more of the same, as our flag stays red.

[Noel Murphy]

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What is WTO GATS mode 4, and should you be concerned?



GATS stands for General Agreement on Trade and Services. This is a treaty under the control of the World Trade Organisation that entered into force in January 1995 as a result of the Uruguay Round negotiations. The treaty was created to extend the multilateral trading system to the service sector, in the same way that the General Agreement on Tariffs and Trade (GATT) provides such a system for trade in merchandise.

The GATS defines four modes of trade in services. "Mode 4" refers to the temporary migration of workers to provide services or fulfil a service contract. The present framework of mode 4 allows only for temporary movement of workers across borders to provide services; their visa as well as their right to stay and work are tied to their original terms of employment or contract and to their employer.

A bloc of developing countries is demanding that the European Union offer workers from developing countries new mode 4 access to member-states to perform work in the service sector. This demand has been positioned as a condition in exchange for developing countries offering the developed countries new access in mode 3—the right to establish a presence, i.e. to set up or acquire a service business within another country. Essentially the European Union is negotiating a global guest-worker scheme that in return will allow EU firms to freely set up in low-wage economies.

Developing countries, most notably India, are demanding that the right to trade people by

means of guest-worker visas be included in the current Doha trade talks. The Lisbon Treaty facilitates free EU involvement in this process through exercise of the "principle of an open market economy with free competition" cited in article 105 and reinforced by the fact that "the internal market as set out in Article [I-3] outlining the objectives of the Union includes—at Protocol 6—a system ensuring that competition is not distorted." So, undistorted competition is one of the Union's organising principles which can be applied not just to goods but also to people.

The objective of the Commission is to make offers opening a "market" in all services to transnational companies through the GATS. At present, and under the treaty, neither the EU Parliament nor Dáil Éireann is informed which services are "offered" for trade until the deal is finalised. It is this process that leads to the privatisation of services such as water and sewerage and increased costs to the average citizen. A similar process is followed for "offers" under mode 4.

These changes conform to a general policy for "the achievement of uniformity in measures of liberalisation" (article 188)—or deregulating who can provide goods and services. EU trade policy seeks to "encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade"; and it would appear that this now extends to trade in people.

Some developing countries, particularly

India and China, have a big interest in seeing progress in this area of services: liberalisation of the movement of labour for people to travel to fulfil contracts, under "mode 4."

India also wants a discussion of services because of its big IT sector and abundance of graduates. The *India Times* tells us that the country is looking forward to the easing of restrictions in the temporary movement of workers and professionals (mode 4) to other countries and securing business flow in the outsourcing segment (mode 1) in the GATS negotiations.

Meanwhile the *Business Standard* (New Delhi) reports that India wants to know what it is going to get on the issue of movement of short-term service providers under mode 4 and the removal of restrictions on cross-border services. A demand is being made on developed countries and the European Union.

The "posted workers" situation is the internal EU parallel to mode 4, with similar language and concepts, for example "cross border establishment" and "movement of service suppliers." The posted worker situation is proving problematic for workers, and when this has gone to law the decisions of the European Court of Justice in the Laval, Viking, Ruffert and Luxembourg cases have clearly shown that the tide is against workers' rights to protect their wages and conditions. So we can look to the "posted worker" situation as a precursor of the potential effects of mode 4.

The argument that mode 4 is for temporary labour movement does not lessen this, because temporary workers are generally less likely to be unionised, and would not be allowed to join unions, and their comparative advantage—or the comparative advantage that transnational corporations can gain through mode 4—would be lost if they did.

It is a very significant shift when any policy-making is lost from the arena of the democratic process and put instead into the hands of corporations, particularly when that shift is irreversible, as is effectually the case with trade commitments. The European Union is negotiating on mode 4 and making offers without the knowledge of the citizens of EU member-states and without any public debate.

This is a major issue and points once again to the fundamentally undemocratic nature of the European Union, to the reality that any vestige of "Social Europe" is long dead, to the interests of big business coming before those of citizens and workers, and to the longer-term threat to the wages and conditions of workers in EU member-states posed by these secret negotiations. [KF]



Palestine, Israel, boycott, disinvestment, sanctions, and the left *Part One*



Most readers will not need to be convinced of the justness and necessity of the boycott, divestment and sanctions (BDS) campaign aimed at forcing the rogue state of Israel to comply fully with international law and respect the full human, civil, political and national rights of the Palestinian people.

However, there remain those—groups and individuals—on both the “hard” and “soft” left that, for a variety of reasons, refuse to support the BDS campaign, despite being supporters of the Palestinian struggle for justice.

The first thing to be said about BDS is that it is not an invention of western “do-gooders”: it is what the Palestinian people—through their

worker and civil society organisations—have called on internationals to engage in. Who are we, living thousands of miles away, to say, “Actually, we know better”? It is not we who have suffered the brunt of Zionist-Israeli violence, occupation and colonisation for more than six decades. The call, issued five years ago, comes from the oppressed, and we should respect and observe it and do all in our power to build the BDS campaign in this country.

I would like to deal first with the “soft” left, wherein the main counter-argument to BDS runs something like this: “We cannot boycott one side in this conflict: we need to respect both sides and encourage them to resolve issues through dialogue.”

There are two false assumptions inherent in this reasoning, at least for anyone who is serious about Palestinians obtaining their freedom.

The first is the idea that there are two more or less equal parties in this “conflict.” In fact on one side there is an oppressive colonial state with the fourth-largest army in the world, which enjoys the overt support of US imperialism, the complicity of the European Union, and the tacit support of the United Nations and various corrupt Arab regimes. On the other side there is an oppressed colonised people, badly armed, with little meaningful international support aside from civil society campaigns, terrorised, brutalised and humiliated daily. We do not need to “respect” the brutal oppressor in this equation: indeed it deserves only our contempt, and we should do all we can to help defeat it.

The second false assumption is that Israel negotiates in good faith, when history has shown the exact opposite. A mere example: during the so-called Oslo “peace process” years, illegal Israeli colonial settlements doubled in a clear violation of the Oslo terms.

As far as Israel is concerned, current negotiations serve as nothing more than a fig leaf while it busies itself with creating “facts on the ground.” Israel would be more than happy to endlessly “negotiate” until there are no Palestinians left in Palestine.

Of course, for the reasons outlined above and more, Israel can act this way because it enters negotiations from a position of power, while the Palestinians enter from a position of relative weakness. Capitalist states do not act out of the goodness of their hearts: they act in their own self-interest, and to expect such a powerful state to cede anything meaningful to a weaker adversary is absurd.

This is why, if one accepts—as most soft-leftists do—that only talks can provide a genuine road to a just peace, there must be some degree of parity between the negotiating parties. BDS offers us—international civil society—the means to help achieve this parity. BDS enables us to pressure the Israeli state to show that its actions have repercussions internationally and that it is no longer acceptable for it to act as it does. BDS aims to isolate and weaken Israel and, as a corollary, strengthen the hand of the Palestinians.

On this basis it is logical that BDS can play only a positive role in laying the groundwork for future genuine negotiations on a more or less level playing-field, as thus far “negotiations” and “balance” have produced only further colonisation and imbalance. Without BDS, negotiations are essentially pointless. [KS]

Part 2 of this article will be published in next month's issue.



Developing the case for state-led approaches

The present crisis, a product of unregulated accumulation and speculation, has, in its aftermath, brought the state back into the management of the economy. Admittedly this has been reactive, unplanned and unanticipated and is more about using the state's resources to protect and bolster the financial and speculator classes through massive transfers of wealth from working people. Yet to a degree, one offshoot of the economic crisis has been a partial undermining, ideologically, of purist neo-liberal orthodoxy.

A realisation has emerged in some quarters that an over-reliance on unregulated market forces in Ireland led to bank failure, a structurally weak indigenous private sector, and a poorly planned housing system, among many other problems. In this context, an opportunity has arguably arisen for broad democratic forces to make a stronger case for the role of the state in facilitating long-term strategy and planning.

There are, of course, forces along a broad leftist spectrum that have been advocating such a turn in a positive and impressive manner. For example Unite, Sinn Féin and a number of social-democratic economists have made a strong case for a state-led stimulus as a means of delivering not only a return to economic growth but more balanced economic development.

Often missing from such approaches is a view of what the state actually is in Irish society. Is it simply some benign apparatus that was “misled” down a particular developmental road by property speculators and bankers and that can in turn be enlightened towards alternative economic models? Whose interests does the state serve?

Leaving this matter aside for the present, there is mounting support for the argument that the state can often do a far better job of balanced economic development than the private sector can. For example, apart from the reactive forms of nationalisation that we have witnessed in the West, there is evidence of a more evolved form of state-led development in Russia, China, and Latin America. In these countries the state, and not the markets, is managing the outflow of capital.

China and Russia, for example, are interesting examples of states which have been operating—albeit in contradictory and inconsistent ways—outside the parameters of neo-liberal orthodoxy. Although neither state could be characterised as socialist, both countries illustrate a number of interesting features about state involvement in attempting to ensure co-ordinated and balanced economic growth.

Chinese state companies are being utilised strategically by their government to spread their investment widely, sectorally and geographically, to buy technology through ownership and control, to control vast natural resources in many areas, to grow their state

companies and generate wealth and employment, and to train Chinese management to the highest levels and in the widest areas of skills.

The Russian state is at present playing a leading role in developing and planning corporate bodies in fertilisers, oil, and gas, among other industries. Somewhat similar, albeit more radical, initiatives appear to be under way in parts of Latin America.

Arguably there are lessons here for Ireland on a number of levels, where, on a somewhat similar though lesser scale, Irish state companies could be harnessed, with elements of the private sector, to play a role in developing the economy. Instead of the passive, small-scale approach, as has been the weak Government policy on state companies up to now, a bolder and more innovative approach could be taken, for example in retaking control of natural gas supplies from foreign ownership, or expanding marine and wind power, among other policies.

In making these arguments we already have strong evidence that, in comparison with the Irish private sector, the state has been a steady performer and has contributed significantly to the national capital stock. The performance of state companies has been very good for two decades. They employ about forty thousand people directly and many more indirectly. They have a turnover of approximately €10 billion and generate profits in the region of €500 million annually. They generate substantial dividends in normal times to the taxpayer.

At a basic level, undoubtedly, a reform of operating structures is necessary. The way in which people are appointed to the boards of state companies, and the way in which their strategies are determined by the Government and by the elite civil servants in the major governing departments in some areas, is a problem, as was outlined by the Communist Party's pamphlet on CIE, *Public Transport: Keep It Public or Lose It to Private Profit* (2004). But the argument that the left needs to advance is that this should be more than just a question of governance structures narrowly defined and should have wider political and democratic ramifications about how key structures in our society are administered and controlled.

Arguing the case for a defence and expansion of state-led development, however, is not simply a theoretical pursuit. In the light of the Review Group on State Assets and Liabilities, recently

established by the Minister for Finance, “the proper stewardship of State assets” is under serious threat. The group, led by a motley crew of neo-classical economists, is considering drawing up a list of asset disposals in the public sector, including commercial state bodies.

At this time, what the left needs to put forward among Irish workers is the question whether they would like to see national state-owned enterprises and productive assets, some naturally monopolies, sold out in a fire sale to foreign transnationals. While the state will obtain financial assets in exchange for real assets, these financial assets will simply go to servicing Government borrowing or debt.

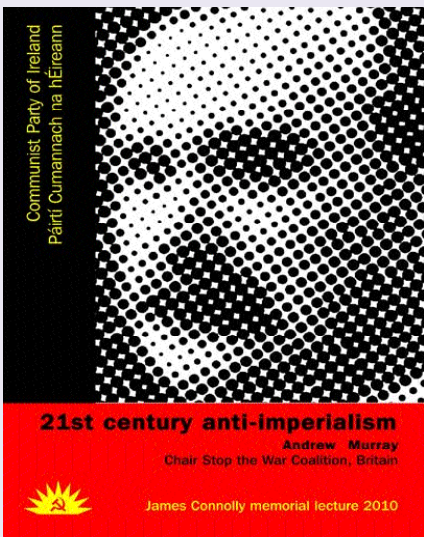
This exchange will be costly. Firms such as Goldman Sachs, Merrill Lynch and Price-Waterhouse Coopers will again be paid large fees. The state's net balance sheet will remain the same, but the policies privatised companies may pursue will be very different and in many respects malign to the national infrastructure. For example, the operations of the former state-owned Irish Sugar company, now Greencore, are now focused largely outside Ireland and make a negligible contribution to the development of agri-business within the country.

Both at a theoretical and practical level, of course, in advancing the case for the protection and enhancement of state-led responses to Irish economic development none of this really implies, or leads to, the kind of state-led socialist planning the likes of which has been outlined in a series of articles by our comrades in the Communist Party of Greece. (See *Current Issues of the Communist Movement, 2010.*) There is a debate to be had, of course, over how the left might conceptualise state-led development within particular national contexts, and whether such developments are little else than state-monopoly, managed capitalism or are a first step on the road to socialism. In this regard a fuller dialogue between the traditionalist views of the Communist Party of Greece and the more recent vogue “socialism of the twenty-first century” might be necessary.

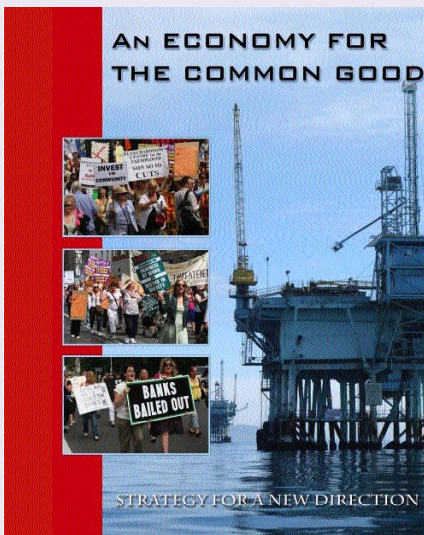
Nonetheless, the important shortcoming of most existing defences of state-led development (see, for example, Paul Sweeney in the *Irish Times*, 3 August 2010) is the tendency to present the argument as a neutral technical economic one rooted in some notion of efficiency in the “national interest.” Marxian perspectives need to be clear that something more is needed and that in advancing the case for state-led development it should be principally a political project, intending a broader institutional reconstruction that advances and secures working people's interests in Ireland.



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Sizwe Bansi Is Dead

In 1972 Athol Fugard's great anti-apartheid play, *Sizwe Bansi Is Dead*, was touring Britain, and I was asked by the then general manager of the Abbey Theatre, John Slemon, to go to the Crucible Theatre in Sheffield to see if it would be suitable to put on in the Peacock Theatre for one night.

I travelled over to Sheffield, saw it in their Studio Theatre, and was absolutely rocked by the performances of Winston Natsona and John Kani *above*, the writing of Athol Fugard, and the power, simplicity, warmth and tragedy of the play, which exposed the horror of attempting to live a normal life in an abnormal, repressive state.

Winston Natsona and John Kani were then (and still are) two of South Africa's greatest actors, and in 1972 they portrayed the reality of what black South Africans had to endure under that horrific white apartheid government.

I returned to Dublin and told Tomás Mac Anna, artistic director of the Abbey Theatre, and John Slemon that we must put it on the Abbey stage. This they agreed to instantly. The theatre was sold out in three days, and that

Sunday evening performance was one of the most electric, emotion-filled nights I ever experienced in a theatre. It was funny, moving, tragic, and utterly gripping. The audience were stunningly supportive and completely identified with the African struggle against oppression. A bravo-laden standing response at the curtain call was given to the two actors. They were both subsequently interviewed in the *Guardian* (London) after the tour was finished, and they remarked that the night in the Abbey Theatre in Dublin was the highlight of that tour.

I'm reminded of those events as I am about to go to South Africa in September to visit John Slemon and to see the country where Athol Fugard's play and Winston Natsona's and John Kani's performances helped to bring down that poisoned state. [RJW]

● **Rud eile:** *Strike*, that wonderful play by Tracy Ryan about the Dunne's Stores workers who refused to handle South African goods, will be revived in the Samuel Beckett Theatre, TCD, and the Axis in Ballymun from 26 October—an equally powerful theatrical experience.



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