

STUDIES IN POLITICAL ECONOMY

THE IRISH INDUSTRIAL REVOLUTION

REPSOL



Research Section, Department of Economic Affairs, Sinn Fein The Workers' Party

The Irish Industrial Revolution

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The Irish Industrial Revolution

Research Section
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REPSOL

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Foreword

This book is a study of the political economy of Southern Ireland, written from the standpoint of scientific socialism. The period dealt with in the first part of this study stretches from the Penal Laws down to the present day. In the background therefore loom the two great revolutions that shaped the modern world and gave birth to the twin concepts of democracy and socialism.

The French Revolution left an indelible political mark on Irish history in the form of secular socialist Republicanism. The Industrial Revolution, which created the European working class, only affected the North East of Ireland. The result was that while the French Revolution brought an ideology of social change, the absence of an Industrial Revolution meant the absence of the only agent which could have brought about social change — the Irish working class.

The party which has produced this book, Sinn Fein - The Workers' Party is the historical product of the French Revolution. In turn, the product of our party in history must be the creation of an Irish Industrial Revolution. The second part of this book therefore, is a systematic plan for the making of an industrial Ireland. This plan in turn means the emancipation of the Irish working class so that it can carry out its historic mission — the construction of socialism in Ireland.

This party, as the vanguard of the Irish working class, has a clear duty to explain its historic role to that class without sentiment or arrogance. This involves giving a clear outline of where the party has come from, where it now stands, and what its future course will be. This party also has a duty to acknowledge any mistakes and errors made in its long and difficult struggle to understand the history it inherited and to transcend that history.

To begin, this party believes that the refusal of the southern bourgeoisie to create an industrial revolution had three tragic consequences. Firstly, it laid down the economic foundations of Partition. Irishmen, divided deliberately by the bourgeoisie on the nature of the spiritual world, were thus prevented from coming together in the material world. Secondly, it meant that the society within which Republicanism lived in the nineteenth century was a rural, agrarian and clerical society. This meant, as Karl Marx pointed out, that the land question was "the exclusive form of the social question in Ireland." Republicanism, therefore, at best could only express the populist demands of a peasant society. Finally, lacking the support of an urban working class, which alone could change the outside world, Republicanism had also to conduct a lengthy and arduous struggle inside its own ranks against the rival ideology of Hibernian nationalism, introduced by Daniel O'Connell, one of the bitterest opponents of the French Revolution.

As long as Ireland remained a largely rural society Republicanism could not transcend the populist democratic legacy of the French Revolution and make contact with the larger world of socialism which had been ushered in by the Industrial Revolution. Similarly, the struggle between Republicanism and Hibernian nationalism could not assume the clear form of a struggle between democratic socialism and degenerate right wing nationalism until such time as an Irish working class arrived on the stage of history in such massive numbers as to decide the outcome once and for all.

The emergence of a pitifully weak working class in the early years of this century under the tutelage of Connolly and Larkin inevitably saw sharpening class struggles reflected within Republicanism itself. The bitter conflict between the Republican, Eamon Ceannt and the

nationalist, Arthur Griffith; the emergence of the Irish Citizen Army; the class politics surrounding the **Democratic Programme** of 1919; the class content of the Civil War; the abortive attempt to establish the Republican Congress; all these episodes revealed Republicanism attempting to transcend its own populist legacy. Nevertheless they were doomed to failure as long as rural issues were "the exclusive form of the social question" or more explicitly, as long as the Irish working class remained a minority class in Ireland.

This party believes that the 1960s saw a dramatic and historic change in the nature of the class forces in Ireland. These changes left the Irish urban and industrial working class the dominant class in Ireland. This party further believes that this change took place largely under the stimulus of American monopoly capital which, in that period, replaced British Imperialism as the major economic tendency in the Irish economy. For the first time in Irish history, the bulk of the gainfully employed population were wage earners and the great majority of our people lived in towns and cities. The question of the industrialisation of Ireland and not the land question became now "the exclusive form of the social question in Ireland."

Responding to that change in class forces in Ireland our party in the 1960s subjected Republicanism to a threefold analysis according to the principles of scientific socialism. We criticised traditions that were not clear, we annulled traditions that were bad, we preserved and raised to a higher level traditions which were strong and durable. We emerged from this self-scrutiny armed with the ideas of democratic socialism.

Recognising that our party was the only party which had stripped itself of illusion and rhetoric on the left, the Southern bourgeoisie attempted in 1969 to drive us back into the cul-de-sac of Hibernian catholic nationalism and to force us into sectarian blood-letting in the North. We freely acknowledge that then, and later, elements within our party yielded to these pressures and calling themselves Republicans or "Socialist Republicans" attempted to drive our party from democratic struggle in each of the two states in Ireland into the abyss of individualist terrorism. Because we have successfully resisted these attempts we wish now to clarify our position on the national question and that of violence as distinct from force.

The national question for this party has nothing to do with the setting up of 'Independent' Ulsters and neither is it confined simply to the removal of British troops. These are symbols not substance. For us the national question can only be formulated as peace among the divided working class in the two states in Ireland so as to allow a united Irish working class to conduct democratic and militant struggle for the creation of an industrial revolution in all Ireland and the overthrow of Anglo-American Imperialism, and ultimately the construction of an Irish Workers' Republic.

This party also categorically rejects terror and violence as a means to achieve state power. Terror is the physical liquidation of individual members of the ruling class. This party believes that terror belongs to the world of middle class degenerate right wing nationalism and its Trotskyist reflections. This party denounces terror as firmly as it would uphold the right of the Irish working class, having achieved state power to protect itself by the use of force, which is the physical arrangement made by a class to defend itself, as a class, against the terror of individualism.

This party therefore rejects those who attempt to stain the concept of Republicanism with atrocities and bloodshed. Likewise we reject social democracy which attempts to confuse Republicanism with the degenerate nationalism of sectarian murder gangs, in order to destroy Sinn Féin The Workers' Party and force us to compromise our socialism.

Sinn Féin The Workers' Party rejects both the bloody Fascism of the sectarians who take working class lives, as well as the cowardly compromises of social democracy which takes working class jobs. We are not a secret society. By history and tradition we are

the oldest and most enduring open conspiracy of the working class in Europe. Our patrimony stretches from Wolfe Tone and the iron and heroic period of the Jacobin Republic of Year II of the French Revolution, through the Fenians who were in touch with the ideas of the Paris Commune and the International Working Men's Association, through the Mellowes wing of the Irish Volunteers, through the Republican Congress and the years when Shankill Protestants marched at Bodenstown, down to our final grappling with, and expulsion of, the remaining Hibernian nationalist and terrorist elements which had lodged within Republicanism in recent years.

Today, as an openly declared party of the working class we offer this study as a guide to Irish history, a remedy for our economic misery and an earnest of good faith.

Eamon Smullen,
Director of Economic Affairs,
Sinn Fein The Workers' Party,
January 1977.

Footnote:

Political resolution passed by Ard Fheis 1976/77:

- (1) That Imperialism is the enemy of all Irish people and by controlling and exploiting the wealth and resources of Ireland impoverishes everybody;
- (2) That its power and control affects the whole of this island and is not confined to the area controlled by British Troops;
- (3) That the centre of imperialism has moved from Britain to the USA and that where British imperialism declined and lost control it was replaced by American economic and cultural imperialism.

Introduction

The story of modern Ireland is the story of poverty. Each generation has learnt that story by experience. A million of our people emigrated in this century because of that story. Since the Act of Union the poverty of Ireland is an unbroken horizon. We have never learned whether there was a better life beyond that skyline.

The first purpose of this book is to show that this story of inevitable poverty is a fable and to expose its authors, the Irish National Bourgeoisie. The second purpose of this book is to write a new story and to set out a plan for an industrial revolution that will be carried out by the Irish working class.

Work, therefore is the central theme of this book. By work we mean the application of man's hand and brain to the world of nature so as to produce the material goods he needs to lead a life of dignity and to create the moral climate in which social man can develop all his talents and virtues. This world, made by man, for man, can only be constructed by releasing all the productive energies of the Irish people which have been fettered by a political economy, designed to keep a small and avaricious class in private possession, not only of the wealth created by the working people of Ireland, but of the very means of producing further wealth.

The first part of this book therefore is the history of that greedy class. From the moment of its birth we follow its delinquent and retarded career that begins from the end of the Penal Laws which gave it birth; follow its selfish infancy when it secured Catholic Emancipation at the expense of the mass of the population; observe it during the great Famine, which saw it eat when others starved; watch its adolescent grabbing of the land of Ireland in the clearances that followed the Famine; study it in the prime of life as from the Land Wars in the 1880s to its bloody triumph in the Civil War of 1922, it takes to itself the title of a 'national' bourgeoisie: chronicling its last senile and doomed efforts to buy another lifespan by selling the young and vigorous population it rules into the hands of American monopoly capital in our own day.

All that mean and sordid history might have been redeemed in retrospect had the Irish bourgeoisie carried out the one essential task, which gives the capitalist class of any country the minimum right to survival. It refused to construct a healthy capitalism. Contenting itself with the most primitive and backward form of exploitation it swallowed up great amounts of the capital produced by the people it ruled, and then lay like some boa constrictor, unmoving, while that capital putrefied in its stomach and sickened the whole body politic.

To justify its sloth and its failure to create a modern industrial society the Irish bourgeoisie wrote a false history of Ireland. This official history was then foisted by their populist propagandist on the Irish working class. Because the story was printed on green paper, written frequently in the blood of the working class, and bound in the vellum of Irish nationalism, the Irish people accepted it as a guaranteed Irish product.

The green official history of modern Ireland was simple and ran as follows. Ireland's real poverty began with the Act of Union, whereby evil British laws prevented the patriotic Irish bourgeoisie from making Ireland a wealthy and prosperous nation. Despite this the Irish bourgeoisie, impoverished, had fought on, first to win Catholic Emancipation and then the "land of Ireland for the people of Ireland".

By the turn of this century, still ground down by British Imperialism, the Irish bourgeoisie were still too poor to create an industrial revolution but nobly went on to

struggle for national independence, which would remove the evil British regime and show that they, the bourgeoisie, had been held back all these long years from making Ireland wealthy and prosperous.

The main author of the story so far was Arthur Griffith. The story was widely accepted in nationalist and working class circles. Only one man refused to swallow it. In his great work **Labour and Irish History** James Connolly showed that from the Act of Union down to his day the story was a lie. This book, with the advantage of hindsight and using the tools of modern historical analysis vindicates Connolly's theory and brings his exposures up to date.

But this book has to go further. Because when the Irish bourgeoisie reached state power in 1922 and when the promised wealth and prosperity consequent on the removal of British laws failed to materialise, the national bourgeoisie, unabashed, went on to produce a revised version of the original green history. The amended version vacillated uneasily between blaming foreigners and blaming the organised Irish working class. New scapegoats are found by the day — world trade, the difficulty of export markets or the oil crisis. But one constant theme and refrain has not changed since the Act of Union — the demand for the holding down of wages.

The first part of this book therefore is an exposure of both the original green history and its amended modern version. We treat the political economy of Ireland to a thorough scrutiny by examining the history and class character of the Irish bourgeoisie who have ruled the political economy of this country for almost two hundred years. They claim to rule and we claim to judge the consequences of that rule. We have found them guilty, and not only guilty but homicidal. At this moment they are planning to liquidate the possibility of a better life for the new young population which is growing up by the day. The Irish bourgeoisie intends to stay in office by offering some of that productive population to American capital and by exporting the surplus population. The first part of our book shows that this behaviour, far from being a new development has always been a class characteristic of the Irish bourgeoisie from the moment of its birth.

The second part of this book sets out the measures that must be taken if the Irish working class are to survive this murderous assault and go on to create a better life. The bulk of our labour therefore has been to set out in precise detail, and with a wealth of statistical and financial data, the material steps that must be taken for the planning of an industrial revolution and for the construction of the broad foundations of socialism in Ireland.

This plan for an industrial revolution involves an unequivocal acceptance that the organised Irish working class is the only class that can now carry out such a revolution. This is not rhetoric. An industrial revolution cannot now be carried out by the Irish bourgeoisie, because they are too weak in productive power, have lost all confidence in the future of this country, and because above all an industrial revolution would sweep away their pockets of privilege along with the primitive sweat shops which now masquerade as an Irish industrial base. The logic of this dictates that only the working class, led by a scientific socialist party using state power can now create a modern industrial Ireland. We believe that Sinn Féin, The Workers' Party is the only party equipped for this task and we offer this study and this plan as an earnest of our good faith.

The Plan we offer has two objects. First, we offer a plan that even under the present system will immediately protect the Irish working class from the misery of the current crisis of capitalism in Ireland. There are those on the ultra-left who will say that it is none of our business to patch up or reform the system. Let them be clear where we stand. We are not anarchists or the spoilt children of the privileged playing political games with working class misery. We do not believe in the principle, 'The worse, the better'. We want the capitalist

system to feed, clothe and shelter the working class to the utmost degree even under the present system. Fed, clothed and sheltered, the working class will then be fitted all the better for the task they have set themselves in history, namely, the destruction of the capitalist system and the construction of socialism. We intend to fight the next General Election on the basis of a short term plan which we unashamedly describe as a reformist plan and we intend in Dail Eireann to press the capitalist system to implement that plan because it is demonstrably a sane and a logical plan which will benefit millions of our people at the price of disturbing a few hundred privileged and powerful capitalists.

But because we are scientific socialists that short term plan is embedded in a larger and more detailed framework of a plan for the transformation of Irish political economy. The industrial revolution which we plan is the basis for the construction of socialism in Ireland. It is not a plan, like others on offer, which involves the state in subsidising the dying Irish bourgeoisie. It is not a populist plan for a return to a Tir na nOg village society, peopled by casual handymen and weatherproof farm labourers. It is not a plan for any kind of Eire Nua with its seedy echoes of an old and unlamented Ireland.

This book sets forth a plan for the construction of a modern urban society, resting on a powerful industrial base. That foundation is to be built by the application of the hand and brain of the Irish working class, aided by modern technology and working through the form of State companies, to the processing of our great natural resources, our land, forests, mines, gas and oil. From this industrialisation of nature will flow the endless abundance of commodities that will enable our people to move from the present realm of scarcity to the realm of freedom.

The Irish industrial revolution will create not a surplus for the few but a social surplus that by right will belong to all. The society raised up on that base will have as its first fundamental freedom, the right to work.

This call for an Irish industrial revolution is the only truly revolutionary call that is being made in Ireland today. Sinn Fein, The Workers' Party, will not shirk either the labour or the leadership of that revolution.

PART ONE

THE ROAD TO UNDERDEVELOPMENT



1-Birth of the Catholic Bourgeoisie

The first step is to clear up once and for all, the myths surrounding the history of the Irish capitalist class. The place to start is with their first appearance on the stage of history. The time which saw this class first emerge is the time of the Penal Laws. In the official history of Ireland the attention of the working class is directed to sob stories about Catholics having to sell a horse for £5. This folklore hides the fact that already a small but powerful Catholic middle class was accumulating the vast wealth which in turn was to be used to secure their grip on the Irish people. Here at the end of the Penal Laws is the place to start the history of the Irish bourgeoisie. In doing so we can test James Connolly's theory which he stated as follows: "That the Act of Union was made possible because Irish manufacture was weak, and, consequently Ireland had not an energetic capitalist class with sufficient public spirit and influence to prevent the Union." ¹

That statement, brought up to date, is a precise and clear formulation of the theoretical position of Sinn Féin The Workers' Party, who believe, as Connolly stated, "The fact that the Union placed all Irish manufactures upon an absolutely equal basis legally with the manufactures of England is usually ignored, or worse still, is so perverted in its statement as to leave the impression that the reverse is the case." There are not, and have not been since the Union any such laws. The Irish bourgeoisie accumulated enormous volumes of capital by the exploitation of Irish labouring power from the 1760s to the present day. This capital was never put to work productively but invested in banking and property speculation. The abuse of this capital is a story that is unique in European history. The Irish national bourgeoisie were and are by any standards the most avaricious and lazy ruling class ever seen in the European polity. Connolly understood this to be the case. In his own time, he exposed that class and its official nationalist history of Ireland.

The excuses, blaming only the Act of Union or British imperialism might have sounded genuine back in 1905 when the Irish bourgeoisie had yet to prove themselves fully incompetent. Arthur Griffith's version had a certain logical force. But even then, with a penetration which shames today's so-called "Republican socialists" James Connolly refused to swallow the official line. In **Labour and Irish History** he stripped the wool from the eyes of his contemporaries with a hard question. "Please explain the process by which the removal of Parliament from Dublin to London — a removal absolutely unaccompanied by any legislative interference with Irish industry — prevented the Irish capitalistic class from continuing to produce goods for the Irish markets?"

Nobody can answer that question in relation to the EEC today no more than they could answer it about the Act of Union in Connolly's time. Connolly never allowed the nationalist history of Ireland to obscure the truth. The protectionists of today, the populists who think that 'given half a chance' that Irish capitalism could stay in business, the populists who think that the EEC provides 'unfair' competition (despite the fact that before the EEC Irish capitalism still couldn't provide jobs) such people need to be exposed as firmly as Connolly dealt with the Griffith's version in his day.

The Act of Union argument was unacceptable to Connolly because he knew that free trade was a climate which exposed the pretensions of the Irish bourgeoisie. "It surely is an amusing theory when we consider that it implies that the Irish manufacturers were so heart-broken, grieving over losing the trade of a few thousand rack-renting landlords that they

could not continue to make a profit by supplying the wants of the millions of Irish people at their doors. The English and the Scots, the French and the Belgian manufacturers, miners, merchants and fishermen could and did wax fat and prosperous by supplying the wants of the Irish commonality, but the Irish manufacturer could not. He had to shut up shop and go to the poorhouse because my Lord Rackrent of Castle Rack Rent and his immediate personal following had moved to London."

Connolly's sarcasm at the moaning and groaning of the Irish bourgeoisie contrasts oddly with some of today's economists, who swallow the bitter pill, prepared by the Irish bourgeoisie because it has been coated with a synthetic green flavour. For this reason it is necessary, with the advantage of statistics and historical research not available to Connolly, to underline the truths first revealed by this great socialist and ignored by those who have corrupted his socialism into a Hibernian populism.

Connolly's thesis that the Irish capitalist class had shown their weakness and greed long before the Act of Union remained unsupported and untested until the early 1950s. The first hard evidence to support this theory was produced by the late Dr. Maureen Wall of UCD in two pioneering studies of the rise of the Catholic Middle class.²

The first myth to be destroyed by Dr. Wall's economic analysis was the notion that all Catholics were equally oppressed and ground down by the Penal Laws. As early as 1768, the first rudimentary laws of capitalism were beginning to operate in Ireland as in England. The iron law that capital is restrained neither by law nor frontier was proven in Ireland as well. As far back as 1768 the door to Catholic investment was opened by an Act to improve navigation between Limerick and Killaloe. To make sure that Catholic capital was available the Act specifically enacted that all shares would be regarded as "personal estate and not subject to any of the laws to prevent the growth of popery." In 1772, Catholics became shareholders and directors of navigation firms such as The Grand Canal Company.

Long before this however, even as far back as 1717, the trade of towns like Cork, Limerick, Waterford and Galway had been passing into the hands of Catholic merchant princes. In these years the Catholic business families accumulated the vast fortunes which the Irish Parliament would later try to attract into investment in the navigation companies. Typical of these families were the Roches of Limerick who were among the richest merchants in the south of Ireland. Even in the period of the Penal Laws they had enormous warehouses on the quays of Limerick and had their own ships mounted with guns for the West Indian trade.

In the 1770s the outbreak of the American war caused the ministry in England to take measures to conciliate the privileged Catholic middle class and ensure that their capital was used productively in the war efforts. It was English pressure forced through a measure in 1778 allowing Catholics to take 999 year leases. In 1782 another Act enabled them to buy land outright. These two Acts together with the admission of Catholics to the professions in 1792 sank the twin props of the Catholic middle class, namely property and the law, into the deep soil of Irish capital.

By the 1790's the first political signs of class rule appeared in the organised demand by wealthy Catholics to be allowed to enter fully into the commercial and social life of the ruling ascendancy class from which they were still excluded. Dr. Wall summarises the effects of the Relief Act of 1792 on the new Catholic bourgeoisie as follows: "The desire so long suppressed to cut a figure in society was now given opportunities for satisfaction, and Catholic merchants and manufacturers tended to divert more money than perhaps they should from their commercial interests, while in many cases their sons turned to the professions instead of entering the family business."³

Already in the 1790s a pattern is emerging which is to become all too familiar. The

wealth accumulated by the Catholic bourgeoisie is being used unproductively in conspicuous consumption or else not used at all. At a time when their counterparts in England are laying down the foundations of the Industrial Revolution, studying machinery and experimenting with new modes of production, the wealthy Catholic middle class in Ireland is turning its eyes away from the muck and dirt of industrial production and aspiring to the more congenial climates of law and medicine. Later at the turn of the next century we will see that this refusal to take on the hard tasks of industrial production and this retreat into the easier and sedentary occupations of commerce and the professions had become a permanent and striking feature of the Irish bourgeoisie. In 1800 as in 1900 as in 1976, the great difference between the Irish bourgeoisie and the English bourgeoisie is their attitude to industry. Today, University College Dublin and the Kings Inns are still teeming with the sons and daughters of a bourgeoisie which has always run from the noise of the factory to the solace of the courtroom.

As for Connolly's theory that the Catholic middle class had lost the manufacturing battle before the Act of Union, Dr. Wall goes on to say. "It was unfortunate perhaps that in this way, money and talent were withdrawn from commercial enterprise at the time of the Union, when Ireland for the first time met the great challenge of Free Trade." This vindication of Connolly's view of what had actually happened is underlined by Dr. Wall's account of how the Catholic bourgeoisie were re-writing history even at this early stage. She quotes a prominent Catholic spokesman Denys Scully whose 1812 **Statement of the Penal Laws** provides the first rough draft of the official history of Ireland. Scully complains: "Every species of Catholic industry and mechanical skill is checked, taxed and rendered precarious." This has a familiar whine. Today in its Northern sectarian version it emerges in publications such as Michael Farrell's **The Orange State**. Speaking of 1812 Dr. Wall comments: "...It is true that these charges were not without foundation. But it is not true that Catholics were prevented from prosperous business because of their exclusion from corporate office. When the Government made £200,000 available for the support of public credit during the financial crisis of 1793, three of the seven commissioners appointed to supervise loans to traders and manufacturers were Catholic merchants — John Ball, Ballantyne O'Connor and Edward Byrne of Mullinahack. Byrne although a Catholic had become the richest merchant in Dublin by the end of the century."

This reminder that in the middle of the general oppression of Catholics the richest man in Dublin was a Catholic merchant puts a heavy question mark at the end of that particular chapter of the official history of Ireland. Dr. Wall's post-script to the Byrne empire also makes timely reading. "He died reputedly worth £400,000 and if the firm had collapsed in the next generation, it was not because of anti-Catholic laws but because Byrne's sons did not inherit their father's business ability."

Catholic apologists then made great play of the fact that poverty and squalor were caused solely by their exclusion from the plums of office, especially their exclusion from the corporations of the towns. Scully in his **Statement** echoes many a later Hibernian politician, when he claims that "The peculiar misery of Irish corporate towns; the general ignorance and unskillful poverty.. are solely attributable to the perverted and unnatural system of penal laws."

This Catholic businessmen' attack on trade unions, blaming of poverty, not on themselves, the employers but on foreign laws is dealt with by Dr. Wall as succinctly as Connolly might have done. "The truth is that the misery and squalor of Dublin in 1812 were no more attributable to penal laws than they were a hundred years later at the time of the lockout of 1913, when Catholics had a great deal of power in Dublin Corporation."

This fundamental insight into class politics in Ireland rounds off the early years of the Irish bourgeoisie. Some myths lie broken and the kernel within is exposed. Not all Catholics were poor. Some were very wealthy indeed. One of them was the richest man in Dublin. By the time of the Act of Union, their sons were turning to the professions rather than to industrial activity. As a class they had learnt how to justify their own bad treatment of their own workers by exaggerating discrimination against themselves. This discrimination merely caused them to demand, not that the general body of Catholics be emancipated, but that they, the ruling group, should be allowed to enjoy the contemporary equivalent of powersharing. Dr. Wall sums up their position at the time of the Act of Union:

"They used the unrest which was generated by poverty and economic grievances of the mass of the population to advance the social, economic and political aspirations of a relatively small number of wealthy Catholics. A similar pattern was evolved in other countries, whether discrimination has rested on religious class or racial grounds". And to this parable that also applies to the current Northern conflict, Dr. Wall adds a final ironic observation. "It would have been unusual indeed had Catholic landlords and Catholic employers in Ireland combined in assuming responsibility to better the condition of their co-religionists... the population was divided into two warring camps and that energy was dissipated in this sectarian struggle which might have been better used had leaders on both sides been willing to unite in seeking a solution to the country's economic problems."

But the Catholic middle class in the years between the Act of Union and Catholic Emancipation in 1829 showed no interest in economic problems or in imitating the industrial revolution which was transforming the face of Britain and the North East of Ireland. They produced speeches instead of steel and oratory instead of ore. Not a hundred miles away in Belfast the bourgeoisie were laying down the economic foundations of Partition by launching a minor industrial revolution. The Act of Union, which the bourgeoisie of the South claimed was holding back development applied equally to the North East of Ireland. Yet here there were no fetters on the release of the productive energies of the working population. The truth was, as Connolly stated, that the Act of Union had nothing to do with the matter. Coal was available as cheaply in Ireland as in any British city outside of the mining towns. Class characteristics and not coal determined the issue. The Southern Catholic bourgeoisie preferred parliament, commerce and the professions to the pursuit of an industrial society.

But while they failed to alleviate the economic misery of their own people, they added, after their arrival in the British House of Commons, an extra quota of misery to the lives of the British working class of whom the Irish emigrants now formed a substantial part. In 1835, Daniel O'Connell took his seat in the British House of Commons and began his long opposition to every progressive law designed to improve the condition of the British working class. In 1838, when five cotton spinners from Glasgow were sentenced to seven years transportation for trade union organisation a motion was brought into the House of Commons to investigate the circumstances. O'Connell, opposing the motion made it clear that the working class he had prevented from emerging in Ireland was to be equally persecuted by him if it emerged in Britain with the object of frightening the tiny Irish trade union movement at home. In his savage speech he said, that "There was no tyranny equal to that which was exercised by the trade unionists in Dublin." He goes on with a familiar tirade, echoed by the Irish capitalist class down to this day, gloomily asserting that at Bandon a large factory had been closed due to the efforts of the men to get higher wages. He finished with the usual populist anecdote so beloved of lower middle class politicians. Trade unions, he said, had raised the price of clothes to such a pitch, "That it was worth a person's while to go to Glasgow, and wait a couple of days for a suit."

O'Connell's speech was so popular that the British Government appointed a Special Committee, not to inquire into the transportation of the Glasgow Seven, but to investigate the Irish, and especially the Dublin, trade unions. This was followed by O'Connell's opposition to the Ashley amendment which attempted to stop the employment of children under nine years of age and attempted to stop children under thirteen from working more than 48 hours per week. O'Connell castigated Ashley for "...parading before the world their ridiculous humanity, which would end by converting their manufacturers into beggars."⁴ Nothing so truly indicated how ruthlessly the emerging Irish national bourgeoisie would conduct its future treatment of the Irish working class more than its early performance in the British House of Commons. Already O'Connell was vindicating the truth of the judgement passed by the Chartist Irish leader, James Bronterre O'Brien, who said, "Of all Governments, a Government of the middle class is the most grinding and remorseless... the two classes never had and never will have any community of interest. It is the workman's interest to do as little work, and to get as much for it as possible. It is the middle man's interest to get as much work as he can out of the man and to give as little for it. Here then are those respective interests as directly opposed to each other as two fighting bulls."⁵

The Catholic Emancipation Act of 1829 put the southern middle class firmly in control of southern Catholic politics.⁶ The world they ruled was a peasant world where six million people scrabbled for a subsistence living on the land. The industrial revolution they had refused to make, or even attempt, meant that any catastrophe of a minor nature in the great ramshackle land structure of an over populated Ireland, would become an epic tragedy. But the Great Famine of 1847, far from sweeping away the southern middle class, consolidated its political grip by swelling to its numbers a new bourgeoisie drawn from the very soil which had witnessed the starvation of tens of thousands. How this happened is the story of the next chapter.

2-Rise of the Rural Bourgeoisie

Planning an industrial revolution means accepting that the urban and industrial population is the leading class of society. This poses a particular problem in Ireland because rural life has been carefully idealised in a way which is almost unique in Europe. The removal of myths about rural Ireland and the creation of a new understanding and respect for the working population of Ireland's towns and cities is an essential part of popular education if any industrial revolution is to be successful. All that is needed to gain this understanding is a hard dose of unpalatable truths about rural Ireland which have been carefully omitted from the official history.

The romanticisation of rural life even tainted Griffith who saw the North-East of Ireland carrying out the heavy, dirty work, while the rest of the population lived in idyllic pastoral surroundings. This pastoral theme was taken up after the Treaty by the Cosgrave Government and later by Eamon De Valera. The vision of an Ireland of small farmers has always been promoted by the hierarchy, the big farmers' organisation and of course by the Irish capitalist class, who see it as an escape from their own industrial failure. According to this theory the only natural way for the Irish people to live is on the land and if not on the land as much under the influence of the values of rural life as is possible. In this theory to live in a town or city is seen as a kind of temporary interruption of people's normal existence. What 'normal' means in this context is never made clear.

The fact that the overwhelming mass of the Irish people lives in towns and cities as do people in every advanced country, capitalist or communist, seems to have no effect on the lip service that is paid to romantic rural Ireland. This romance is particularly strong in the minds of people who are a generation removed from the land. Real small farmers long ago made their own judgement on this theory with their feet. The exodus from rural Ireland does not argue strongly for the joys of rural existence. Neither does ten minutes conversation with any young man or woman who has voluntarily left the claustrophobia of rural village existence for the opportunity and freedom of the larger towns and cities. What is particularly significant is the way that those who have been most active in ensuring a mass flight from the land, namely the IFA are the most vociferous propagandists of the alleged virtues of rural Ireland.

The IFA represent the Irish rural bourgeoisie. And one of their strongest emotional appeals is based on their appeal to the memory of the great land struggles of the past. Behind the IFA and the rural bourgeoisie looms the epic struggle of the land war. In the official history of Ireland farmers are the 'backbone of the country'. They can be forgiven any offence against the rest of the community because nearly a hundred years ago they fought a great nationalist battle against the British landlord system. Today they refuse to pay farm labourers a living wage, they pay no fair share of income tax — but all these sins can be forgiven because according to the official history they fought for the land and won it for the 'people of Ireland.'

This official history is of course designed to obscure the true origins of the Irish rural bourgeoisie, the strong farmers whose sons and daughters entered the Church, medicine, law and the other professions to swell the general ranks of the Irish bourgeoisie. What really happened in rural Ireland between 1880 and 1905 is only now being clarified by the work of

economic historians. Their conclusions are summarised by the most distinguished modern Irish historian Dr. F.S.L. Lyons, Provost of Trinity College, who in his massive study **Ireland since the Famine** had this to say about the results of the class struggle that took place in the years 1880 to 1905 and which gave the membership of the IFA today the property they now abuse.

Dr. Lyons summary runs as follows:

"Whereas economic circumstances before 1850 conspired to produce a rural proletariat, improved conditions in the second half of the nineteenth century combined with the rudiments of education and the ability to accumulate a little capital, had begun to transform that proletariat into a bourgeoisie. Indeed it is even possible that the every effectiveness of the land war in the 1870s and 1880s and the tenacity with which the tenants sustained it may have been as much a reflection of their improved status as of their desperation. There was a solid property interest behind the land agitation and as the agitation bore fruit — first in improved conditions of tenancy, later in actual ownership — the position of this property interest was strengthened."¹

The Great Famine of 1847 marked the beginning of the history of the Irish rural middle class. The horror of the Famine itself and the great suffering inflicted on millions of people has drawn attention away from the fact that such a catastrophe was inevitable given the land structure of Ireland and that when this inevitable calamity occurred at least one class gained considerably from the clearances that followed.

As to the first point, famine itself had been a common occurrence in the early part of the nineteenth century, with two particularly bad famines in the years 1817 and 1822. One of the reasons why hunger swept periodically across the country was because of a fundamental problem that has not been solved right down to the present day — the problem of land structure, or in simple terms, the fact of too many farmers on holdings which are uneconomical. Ireland in the 1840s had a population structure that was unique in Europe. There were more than eight million people on the island of whom six million lived on the land making it one of the most densely populated countries in Europe. This huge vulnerable population stayed on the land, firstly because of the principle of sub-division which meant that holdings got smaller and smaller in every generation; secondly and of equal importance, there was nowhere else for them to go because the southern commercial bourgeoisie had failed to make an industrial revolution that would absorb this vast surplus population.

While the Famine of 1847 could have been alleviated in terms of human suffering if all the food produced was allowed to remain in Ireland through a relaxation of the laws of capitalist economics there was no fundamental cure except less people on the land. The Great Famine of 1847, even had the British Government behaved with compassion, would have occurred in some other form in the years that followed. This was an inescapable fact given that in some rural areas there was a density of 400 people per square mile and that in the country as a whole there was an average of 335 people for each square mile of arable land.

This problem was solved temporarily in the most brutal fashion by the starvation and forced exile of millions of people. Ireland with a weak and incompetent bourgeoisie had neither towns, cities or jobs that might have absorbed those forced to take the emigrant ship. Today as economic farm holdings approach the hundred acre mark the same spectacle of enforced emigration faces 100,000 transitional small farmers. Now as in 1847 a temporary alleviation of misery provides neither a long term solution nor even a compassionate alternative. Doses and subsidies that today replace the belated Famine Relief works are no substitute to a life of security and dignity that can only be provided by industrialisation. But now as in 1847, the Irish bourgeoisie seem unable to tackle the question of industrialisation and as in the years after the Famine the only long term class to benefit will be the rural

bourgeoisie. In considering the vast changes that took place in Irish rural society after the Great Famine it is important that class forces are kept firmly in focus.

Many of the changes that took place and especially the class character of these changes have only come to light in recent years as a new school of young Irish historians, concentrating on economic analysis dispels the fog of pishierogues and folk lore that surrounded the period from 1850 to the end of the Land War — a period which set in motion the forces which the IFA now mobilise in the class interest of the groups they designate as 'commercial' and 'development' farmers, meaning the upper and middle strata of the rural bourgeoisie. In mobilising these forces the IFA appeals to the emotions of the rural petty bourgeoisie, the doomed one hundred thousand transitional farmers, whose real needs are for the industrialisation of Irish agriculture, but whose property interests tie them in to the general IFA position.

A clear account of the beginnings of this process is given by one of the younger historians referred to above, Dr. Joseph Lee, in a largely ignored economic analysis of the period entitled **The Modernisation of Irish Society**. What follows is a brief summary of some of Dr. Lee's conclusions, as to what really happened after the Famine. He begins by pointing to the change in rural social structure that led to the decline of the farm labourer proletariat and the rise of the property owning bourgeoisie.

"Between 1845 and 1851 the number of labourers and cottiers fell 40%. During the following sixty years the number of labourers and cottiers again fell about 40%, the number of farmers only 5%. Within the rural community the class balance swung sharply in favour of farmers, and within the farming community, it swung even more sharply in favour of bigger and against smaller farmers."²

Dr. Lee then goes on to deal with the dramatic change in marriage patterns which turned the Irish people from one of the earliest marrying to the latest and most rarely marrying people in Europe. He points out that between the Famine and the First World War the average male age at marriage rose from 25 to 33. Having discussed the complex social forces that produced such a profound change, Dr. Lee arrives at the class content of these changes in marriage habits.

"As the cottier disappeared and the average size of farm increased it became increasingly difficult to marry a little above or a little beneath oneself.. mixed marriages between farmers and labourers were considered unnatural. Farmers' children preferred celibacy to labourers."

Dismissing any subjective notions that the Catholic Church alone was responsible for these attitudes to marriage, Dr. Lee points out that the Church merely reflected the dominant economic values of society after the Famine and looks to the material base of society.

"The integrity of the family was ruthlessly sacrificed generation after generation to the priority of economic man.. Priests and parsons, products and prisoners of the same society dutifully sanctified this mercenary ethos, but they were in any case powerless to challenge the primacy of economic man over the Irish countryside. .. it seems probable that only the consolation offered by the Churches to the celibate victims of economic man prevented lunacy rates, which quadrupled between 1850 and 1914, from rising even more rapidly."

Today, the spectacle of rural curates attempting by co-operatives and schemes of rural regeneration to stem or head off the only cure for this rural misery, namely industrialisation and urban life, shows that like the Bourbons, the Churches seem to have learnt nothing and forgotten nothing. The stark fact that the incidence of insanity and ill health is strikingly higher in small farmer communities than in so-called stress ridden Dublin seems to teach no lesson to the purveyors of a rural idyll that has too often become the nightmare of the mentally defective. Dr. Lee's figures on the emigration of farm labourers and individual

small farmers leads inevitably to speculation that they, the emigrants might have been the luckier ones. Certainly the class that stayed behind did so only by sacrificing almost all normal human attributes such as sexuality and filial love to their need to hold on to their property interests. Dr. Lee's judgement is hard and final.

"The Irish farmer behaved as a rational economic man and after the wave of Famine evictions ebbed, it was he, not the landlord who drove his children and labourers off the land."

The rewards of this class war were substantial. Between 1845 and 1910 the number of labourers dropped from 700,000 to 300,000. The numbers of cottiers dropped from 300,000 to 62,000 in the same period. The number of farmers in the small farmer class, (5-15 acres) dropped in the period between the Famine and the Great War from 310,000 to 154,000. But in this period, the number of farmers with more than 15 acres rose from 277,000 to 304,000. This class therefore had added 27,000 to their numbers, sharing out the spoils of those who had gone. But, as the viable farm acreage rose from 15 acres in the nineteenth century to 30 acres in the 1930s to 40 acres in the 1950s and in our own time stands at a 100 acres, so inevitably the bottom strata is forced out and the class at the top becomes smaller in numbers while disposing of greater concentrations of land.

But while the Famine laid down the foundation of the modern Irish rural bourgeoisie, it was the land wars of the 1880s that gave it a firm grip on Ireland's greatest natural resource. Michael Davitt, himself a leader in the land wars could see the dangers posed by this new propertied class, even at the moment of victory. For this reason, he supported land nationalisation on the grounds that the property owning peasant would prove the most conservative force in Irish politics — a judgement that would hardly be disputed by any working class candidate who has ever sought their support. James Connolly, likewise called for Land Boards to administer the land. Dr. Lee, conceding that Connolly understood the economic problems of rural Ireland, chides him for his failure to understand the 'peasant psychology'. The implication is that Connolly might have harnessed rural Ireland to socialist ends, had he understood that psychology. Given Connolly's commonsense it was more likely that he understood the peasant psychology all too well and correctly, if prematurely, decided that the Irish working class was the only true radical force.

Indeed, a study of the class content of the Land Wars indicates that Connolly had only too accurately understood the class position of the Irish rural bourgeoisie. The Land Wars, the epic struggle by the tenant farmers against the landlord system, has down through the years cast a reflected glory on the rural bourgeoisie that tends to obscure the fact that the struggle was to secure the exclusive individualist control of Ireland's greatest natural resource, not for the nation or the population at large, but for a class group within that nation.

The object of the land war with its single aim of securing the property rights of the Irish strong farmer contrasts strongly with the conduct of the War of Independence, when city workers, farm labourers and artisans all fought and frequently gave their lives for great national objectives, not all of them material, which they felt would benefit not just one narrow section or grouping of Irish society, but lift up the general body politic to a higher material and moral plane.

But it is the class structure of the strong tenant farmers that has most been obscured and hidden in the official nationalist history. The alleged heroic virtues shown by the rural bourgeoisie during the Land War have not stood up well to close scrutiny by yet another distinguished modern historian of the nineteenth century. The Irish-American scholar James Donnelly in his recent monumental study *The Land and People of Nineteenth-century Cork* takes up the long obscured question of class politics in the countryside. Donnelly reminds us

that the struggle between the tenant farmer and the landlord was no more bitter than the struggle between the farm labourer and his employer, the tenant farmer. The victory of the tenant farmer over the landlord also marked his victory over the rural proletariat. Naturally during this struggle with the landlord the tenant farmer appealed to nationalist sentiment even as the Irish bourgeoisie do today. The labourers fought heroically but lost their war. Donnelly's account of the work of the National Agricultural Labourer's Union formed as a branch of the British NALU at Kanturk in August 1873 is a tragic episode in the class struggle which brought the IFA class to power.

"In 1881 the labourers' movement was temporarily revived in Cork and other parts of Ireland, in fact the farm workers' agitation gathered such momentum that it threatened to arouse strife between labourers and farmers as intense as the struggle already waging between tenants and landlords. At a great convention held in the Town Hall of Limerick in May 1881, speakers such as Andrew Kettle, one of the most extreme Land League leaders, urged Irish labourers to follow in the footsteps of Arch's NALU in England and to prepare to strike for an increase in wages."³

The meeting, as Donnelly points out was designed to pull the rural proletariat in behind the rural bourgeoisie's Land League campaign. But the call for a wages strike instead meant that it backfired on the nationalist organisers, the tenant farmer employers. Donnelly also points out the labourers were clearly aware of the class object of the Land League.

"The Convention's organisers, the chief of whom was P.F. Johnson, apparently hoped to reinforce the Land League agitation, despite the opinion widespread among labourers that the League served exclusively the selfish interests of farmers. Instead the Convention spurred the labourers to take the offensive against their immediate enemies. Strike fever flashed across the entire country in the summer of '81. Large crowds of resolute labourers marched from farm to farm demanding concessions and drawing away workers from those who rejected their demands."

Who were "the immediate enemies" of the farm labourers? Against whom were the strikes conducted? Not against the British or Protestant landlords, but against the strong Catholic tenant farmer, who in spite of political mythology was not in 1881 huddled in a mud wall cabin but was a substantial property owner who had until recently enjoyed a boom in agricultural prices. The strikes in short were conducted against the 'backbone of the country'. And the backbone of the country was forced to give ground because they were at a disadvantage. "They had recently received abatement in rent (of which the labourers wanted a share) from many landlords as a result of the League agitation. They enjoyed the prospect of beneficial land legislation, then in its final stages of passage through parliament. And finally with the harvest fast approaching, they had little room for manoeuvre."

These strikes remind us that the class origins of the IFA go deep into the history of the Land War. Then as now the rural bourgeoisie conducts its affairs ruthlessly. In 1976, it took Government intervention to force the farmers to pay farm labourers an installment of the National Wage Agreement — until that time, Irish farmers had never paid even one National Wage Agreement increase to farm labourers. Similarly in 1882, the British Government had to pass a Labourers' Cottages and Allotments Act to force farmers, who now enjoyed fixed rent, to build cottages for their workers. But these progressive measures of the British Government were resisted by farmers using the nationalist smokescreen, even as today Irish employers resist the Equal Pay directive of the EEC, with mutterings about 'foreign Brussels bureaucrats'. Donnelly points out that the responsibility for prosecuting farmers who refuse to house their labourers in decent conditions lay with the Board of Guardians. Who were the Board of Guardians? They were one of these representative bodies which the Catholic middle class had loudly demanded as part of their struggle against religious discrimination.

Donnelly's description tells all.

"These bodies, now largely composed of well to do farmers were most dubious champions of the labourers interest. They had already demonstrated as much by failing to perform their clear duty under the Sanitary Dwelling laws, which required the repair or demolition of houses deemed unfit for human habitation..."

In 1881, refusal to conform with enlightened legislation could be defended on the grounds that these hard men were resisting 'British tyranny'. Today, the IFA defends its members' pollution of lakes and rivers by slurry as a blow against the "bureaucracy" of the local authorities, who are interfering with the divine right of farmers to pollute at will. Donnelly goes on to remind us of the unpleasant side of pastoral Irish existence, "Farmers could also avoid prosecution by simply evicting their labourers. Although this vicious measure is not widely adopted, it was reported from Skibereen in January 1886 that 'in order to avoid the necessity of having labourers cottages erected on the lands farmers are dismissing their labourers, many of whom have been in the same employment for long term of years.' "

Summing up the struggle between farm labourers and tenant farmers this largely moderate academic historian has this to say:

"With their long list of grievances against farmers over housing, machinery, potato garden rents and wages, it is scarcely surprising that labourers generally regarded them as cunning adversaries and class enemies... to the Kanturk Guardians who had requested the Government to provide employment after the partial potato failure of 1890 one distressed labourer blurted out, 'If the farmers get the handling of it, our portion will be very small.' "

It is curious how this clear recognition by farm labourers of the class character of the rural bourgeoisie seems to have faded from the minds of the Irish left. The reasons are many and complex, but the frequent attacks by spokesmen such as Paddy Lane of the IFA on the urban working class, the similar antipathy revealed by T.J. Maher, its former President together with frequent threatened commodity strikes, the enforced redundancy of industrial workers at Avonmore Co-op, the refusal to pay income tax, the exploitation of farm labourers and the general hostility shown towards the urban working class has attracted surprisingly little reaction from the urban and industrial working class.

The reason for this is the romanticisation of rural life mentioned before together with the fact that contact by idealistic Republicans and socialists with rural Ireland has often been in the slightly unreal semi-holiday setting of Gaeltacht visits where a genuinely impoverished group of small farmers with a second language to enrich their lives convey an impression of a better way of life. No such traditions or culture can be found among the great bulk of the commercial and development farmer class. There has been no evidence of any commitment to any national cause that would endanger the privileges of the ranchers. Their war was the land war and having won it, they wanted no other war, except perhaps the war they are now conducting against the urban population. How this class can display traits as ruthless and vicious as the Skibbereen farmers of 1881 without a reply from the organised Irish working class constitutes a central problem of the Irish Left.

Much of the blame for this rests with the upholders of the woolly notion that industrial workers and farmers have the same class interests. Added to this there is the incoherent and misunderstood memory of the Peadar O'Donnell Land Annuity Campaign of the '30s which of course was a populist demand with a material incentive that would benefit no class but the small farmers themselves. Against this single minded pursuit of property and land, the Irish industrial working class presents a curious picture of ingenuous idealism.

Sections of the Irish Left have shown an odd blindness to the question of land as a natural resource. They accepted that minerals should be used for social good rather than for private gain yet criticise a socialist approach to the land question — putting social good in place of private gain. Land is a natural resource and a title to the ownership of land does not confer on the holder of the title the right to abuse this most valuable natural resource.

One acre in twelve of Irish agricultural land is let on con-acre. The common charge for con-acre is £200 per acre; this means that a charge of something in the nature of £200 million is put on produce from the land and paid to people who do not themselves produce.

Irish land prices are the highest in the world, £2,000 per acre being the common price; in Britain the common price is £600 per acre and in the USA £200. Farmers have a vested interest in maintaining this high price.

Over the last two decades the pattern of production on the land has changed from the consumption of 50% of the produce on farms to the present position where only 5% of produce is consumed on farms. This means that farming is now linked to production for the market and the farming community is dependent on the non-farming community and on exports.

The agricultural sector constantly claims to prop up the industrial sector but they, in equal measure, depend on the industrial sector of the economy for supplies of fertiliser, power and farm machinery. The number of tractors per 1,000 acres increased by 450% between the years 1952 and 1971. Today the majority of dairy cows are milked mechanically; twenty years ago the normal method was hand-milking. In European milk yields per cow league Ireland takes bottom place.

Tillage and dairying are more labour intensive than pasture and a serious development of this side of agriculture is made more unlikely by the picture of farmers taking off-farm jobs. In the 15-30 acre group 29% are so engaged; in the 30-50 acre group 16%; 50-100 acre group 8% are so engaged. Recent figures show higher numbers — 29% of all farmers instead of 19% which was the previous overall percentage. The same pattern shows if Irish agriculture is examined in regard to the use of fertilisers, volume of production per acre, the use of credit or advisory services. This is a most unhealthy situation.

This question of land structure cannot be avoided by scientific socialists. Sinn Féin The Workers' Party, instead of glorifying the non-existent joys of eking out a miserable existence has instead stated clearly that alternative industrial employment must be provided for the hundred thousand farmers who must inevitably leave the land. We have made it equally clear that in an industrial Ireland with full employment, we would see that small farmers who have to leave the land would do so either for the security of well-paid industrial employment based on agriculture and carried out by an expanded Irish Sugar Co. or remain in agricultural production on State owned farms or State run co-ops.

Finally, it is clear that the class which will leave the land most rapidly is the commercial and ranching class who would be taken over under socialism. Their enmity of our party is thus well founded. We are aware that for a century they gave no quarter to their own oppressed farm labourers and they need not expect any from a workers' Government which will see farm labourers in State power. But we do not propose that small farmers should leave the land without alternative industrial employment.

Having thus outlined our present position, the biggest problem facing our party is the confusion of the Irish Left on the land question — an ignorance carefully fostered by the IFA, aided and abetted by those populist groups which pretend that the only alternative to the IFA is a nation of small farmers. Why the clock cannot be turned back needs to be understood at this point by anybody who calls himself a socialist. For this reason it is necessary to give a succinct account of what occurred in rural Ireland between the Famine and the time

that James Connolly began his work for the Emancipation of the Irish urban working class — and that this summary be presented in the light of the principles of scientific socialism, the only body of beliefs to which James Connolly subscribed.

By 1909, when Connolly had already started to work for the Irish working class and Griffith had already embarked on his work for the Irish national bourgeoisie, the political economy of Ireland was running steadily on the iron rails of capitalism and subject to no law but the laws laid down by Connolly's mentor Karl Marx and which predicted what would happen to feudal peasant life under capitalism. The operation of these laws meant that the following events were inevitable.

Ireland after the Famine entered fully into the normal mainstream of capitalist relations in agricultural production. This meant that all of Marx's predictions about the relationship between town and country would now take their inevitable course in the material lives of the Irish people. These Marxian laws state that as soon as capitalist development begins — that is as soon as peasant subsistence farming is replaced by commercial farming with the object of producing a surplus — a whole following train of events takes place. Peasant life with its closed-in subsistence preoccupations is replaced by production for an open market system. This involves the rise of capitalist agriculture or what the IFA calls "commercial farming". The peasant is forcibly torn from a closed world of subsistence farming, barter, and a primitive money economy barely adequate to keep him and his family in food and shelter, and is catapulted into the full scale production of food, not as a commodity to be consumed or exchanged for other commodities, but as a commodity to be exchanged for a profit. This in turn gives him a surplus in the form of capital. This production of capital by the farmer integrates him fully into the world of capitalist relations. He becomes a capitalist — either large, small or medium.

Such a large scale production for profit means the intensive cultivation of larger and larger units of land. The raw material of the farming capitalist is the land which he holds in private ownership. The law that one capitalist kills many now comes into its full force. The inefficient and smaller farmers are driven from the market place as sellers of commodities and take their place in the market not as sellers of food commodities but as sellers of the commodity called labouring power. Driven into town and city to sell their labour they swell the ranks of the working class. Meanwhile the rural population drops steadily.

This development, the decline of the rural population as a whole, the decline of a rural proletariat and the rise of a tiny rural bourgeoisie was predicted before the middle of the last century in the writings of Karl Marx. In Ireland when Connolly arrived in 1896 that movement was well advanced. The class struggle that followed the Famine was worked out to a final bitter conclusion in the doomed struggle of the labourers and landless men charted by James Donnelly in his study of rural Cork that we have dealt with above.

For Connolly, as for Lenin who dealt with the same problem in his study **The Development of Capitalism in Russia**, there was no question of this flight from the land being avoidable given the laws of capitalist economics. Not only that, but such a flight, by swelling the ranks of the working class and breaking up the conservative nature of our society, had many progressive and necessary features which in the long run would make the dispossessed small farmers and labourers the grave diggers of capitalism when they reappeared in the ranks of the organised working class.

Lenin castigated socialists who romanticised the peasantry. He pointed out that it was capitalism not socialism that was driving the smaller peasantry off the land. That it was capitalism and not socialism that was throwing up a great factory system and forcing women out to work. But he also pointed out that since, in doing these things capitalism was building up the working class that would destroy it, so it was no duty of socialists to romanticise this

inevitable development. Furthermore the very laws of modern economic production allowed the smaller farmers nothing but the most miserable existence — a subsistence life so poor that even the most menial and badly paid city job seemed attractive by contrast. The truth of this was seen by the fact that small farmers in Europe, far from feeling that fresh air and open spaces compensated for their poverty, emigrated even to the most noisome cities where at least they had freedom of opportunity to sell their labour.

Finally of course, scientific socialists realise that there is no way that this decline in rural population can be magically frozen at a moment in time. Looking back it is clear that a victory for the viable 15 acre small farmer in 1900 only meant his inevitable liquidation by his more viable 30 acre neighbour in 1930. Yet in each generation the rural bourgeoisie misleads their small farming membership by pretending that a little more land will solve the problem.

This of course is a lie designed to head off the class war that would erupt if the 100,000 transitional farmers clearly understood that they are the final rusting link in a chain stretching back to the Great Famine. In 1900 the viable farm unit was 15 acres. By 1960 it was 40 acres. In August 1976 Foras Taluntais pointed out that a viable farm was now 80 acres. Nobody in the IFA disagreed. Soon it will be a 100 acres. And the arithmetic of that adds up to the destruction of a hundred thousand small farmers unless an industrial revolution takes place to absorb them.

At this point, the populist followers of Griffith try to dodge the question by talking about dividing up more land. But it is clear that not everyone can have a viable 100 acres today. In ten years time when a viable farm unit is 200 acres, how can twice as much land be found for the same group that cannot find land enough today.

The fact is that land structure is as much a problem today as it was at any time in the past 100 years. The moving finger, having writ its viable acreage for each generation, moves on. Paddy Lane and the IFA dance and bluster in a play in which the first and last acts were long ago written by Karl Marx. At the present time the IFA feel that their 25,000 commercial and development farmers will soon have the rural stage to themselves. They are wrong. That curtain call will be taken by the Irish working class organised on the basis of the industrial production of food.

The IFA, like the strong tenant farmers of 1880s can only hope to postpone the retribution of the Irish working class. The hundred thousand transitional small farmers who are being slowly forced off the land will reappear into the cities and towns of a planned industrial Ireland in the form of a wage labouring class, even as the successes of the labouring class which lost the land war confront the IFA as they did last year in the form of the organised work force of the Irish Sugar Company.

The Land Wars which left today's arrogant group of IFA capitalists as the apparent victors are not yet over. The struggle between an Irish working class which needs to industrialise agriculture and the IFA capitalists who are bitterly hostile to State companies, reveals in new forms the same battle lines that were drawn between labourer and the farmer back in the 1880s. This antagonism is fundamental and cannot be explained away. It rests on the simple fact that the commercial farmer is a large property owner in control of a vital natural resource. The wage labourer in contrast needs that natural resource both to feed himself and to create employment for himself and his children. In any economic crisis the distinction between the farmer and the worker becomes clear as it did during the 1975 Beet strike by farmers against the Irish Sugar Company.

The farmer secure in his land can decide to grow beet. Or he may decide not to grow beet but to grow barley. But the Sugar Company worker must have that beet because he cannot process barley. Unlike the farmer, he has no choices. Similarly, in a real crisis the farmer can sell his property, realise his capital and perhaps buy a guest house where he employs

workers. The Sugar Co. worker has no property to sell, has no capital to realise, has in short nothing to sell but his labouring power. So he may have to go to work in that guest house, or his daughter may. That difference between farmer and worker is based on property. Either Wolfe Tone was right or wrong. He believed that the "men of no property" were the only reliable class. Not all the woolly wishing in the world can make the farmer and an industrial worker equal in times of economic stress.⁴

The choice now as in 1798 must be made and the relative positions and prospects of the men of no property. Needing to secure the means of production, which include the land, they cannot in truth be told that their political future is in harness with those who see them, not as allies but at best as consumers and at worst as employees.

3-Rise of the National Bourgeoisie

The years between the Famine and the Treaty of 1922 saw the remorseless rise and triumph of a new 'national' bourgeoisie composed of an alliance between the catholic commercial and professional classes and the strong farmers who had won the Land War. The losers in the struggles of this period were the populist Fenian movement, the labourers and cottiers who lost the Land War, and finally the Irish working class which had bore the brunt of the struggle for national independence.

The period which opens with O'Connell and the new Southern bourgeoisie presiding over the holocaust of the Great Famine sees them celebrate their hegemony as a national bourgeoisie by helping to lock out one hundred thousand men, women and children in the city of Dublin in the year 1913, and ends with the consolidation of that class victory when rented British guns reduced the Four Courts and the class it symbolised to a rubble in 1922.

At no time in that period did the national bourgeoisie attempt to create the kind of modern industrial society that was being attempted successfully in every European country. Their turning away from modern urban development to an agrarian and clerical society frozen in history is emphasised by comparing the stagnation of Dublin with the expansion of Belfast. Between the Famine and the Great War the population of Belfast increased from 100,000 to 400,000 while that of Dublin inched up from 250,000 to only 300,000.

The reasons for this massive stagnation have never been adequately explained, mainly because the official history of Ireland has carefully obscured the facts and statistics to a point where even today the Irish people seem unaware that this stagnation, the fundamental cause of our present backwardness is almost unique in Europe.

According to classical economic theory, and leaving socialist theory aside for the purpose of the exercise, there are three component factors that explain the backwardness of any society. These three fundamental parts are a shortage of capital, a shortage of labour or a shortage of food. The political economy of Ireland in the period under question should have been transformed, given enough capital to purchase raw materials and pay labour, a skilled and literate labour force to do the work, and an abundance of cheap food to feed the labour force.

The only excuse that the Southern bourgeoisie could legitimately offer for their failure to modernise the Irish economy would be that they were short of capital, short of labour and short of food. Let us now examine the strength of their excuses.

Capital is the first vital element. Was Ireland short of capital? The answer from every contemporary observer in the period as well as the answer of modern Irish economic historians is unequivocal, Ireland far from being short of capital was possessed of an over-abundance of idle capital from the great famine right down to the present day.

The first proof of this abundance of capital is provided by the Banks. The arrival of Banks in Ireland signalled the presence of capital. The first southern banks were the Hibernian and Provincial set up in 1825. In 1835 Daniel O'Connell set up the National Bank. The Ulster and Royal followed in 1836 and in 1885 the Munster & Leinster was founded. Their growth was phenomenal. By 1850 few Irish towns were without a joint stock branch. In 1850 the total of banks in Ireland was 165; by 1870 that number had risen to 304 and by 1910 there were 809 banks.

The capital held in these banks multiplied almost as rapidly. In 1840 the combined banks

held capital of £5½ million. By 1910 this figure stood at just under £60 million — a ten fold increase. But the cash held in banks is no guide to the capital of Ireland — the actual wealth of the privileged classes during this period. Even as far back as 1770 Arthur Young pointed out that while there was no shortage of capital there seemed to be a failure to do anything productive with it. In 1838 Charles Bianconi acknowledged that while there might not be large concentrations of capital there was abundant smaller concentrations which added up to a very respectable figure. In 1848 the banker Jonathan Pimm in his book, the **Conditions and Prospects of Ireland** made the point that there was an actual surplus of capital available but no use being made of it. Jonathan Pimm put his finger squarely on the central issue in this indictment of the Irish bourgeoisie.

"The large sums lent on mortgage and the competition for every estate brought into market prove the difficulty of making a suitable investment rather than any want of capital. An increase of capital would be useless without the means of profitable employment." ¹

The fashionable nationalist notion of the time, that absentee landlordism drained off all capital, is not sustained by an examination of the situation when the absentees disappeared. Indeed the Famine clearances and the Encumbered Estates Act that swept away this excuse saw an incredible £20 million expended in the 1850s in the purchase of encumbered estates. This massive sum, it should be remembered was not British money but came from the mattresses of strong farmers anxious to increase their holdings as well as the bank vaults of Dublin solicitors and lawyers anxious to invest their capital.

The growth of the railways as a profitable investment told much about the cowardly habits of the Irish bourgeoisie in relation to risk capital. The great railway rush of the 1840s saw English investors bearing the brunt of the risks and when the ground was proven solid Irish capital miraculously appeared in a fashion reminiscent of today's oil companies where Irish businessmen only join in the robbery when the vault has been cracked by a foreign expert. In 1843, the Great Southern Western Railway tried to raise a million pounds in Dublin and failed. In 1844 London investors began to buy the shares. When this became known in Dublin there was an immediate rush to invest in the company. In those years as Prof. Joseph Lee points out, a torrent of capital poured into railways, gas companies, insurance and shipping firms and above all into banks. As for the once fashionable notion that the average strong farmer or businessman could not raise a shilling between them, Prof. Lee makes this acid point:

"Had there been an objective lack of capital the £3 - £4 million annually extracted by the Churches, might have deprived the economy of essential capital. However little potential risk capital found its way into clerical coffers. The clergy probably performed a minor economic service by mobilising otherwise totally unproductive capital and providing some ephemeral employment for local builders." ²

This abundance of capital for unproductive investment in Church building and clerical expansion contrasts strongly with the stagnation in industrial employment. The Church and not the industrial workers saw an expansion in numbers. In 1850 there were 5,000 priests, monks and nuns for a population of 5 million. By 1900 this had risen to 14,000 priests, monks and nuns for a population that had fallen to nearly 3 million. This clerical expansion, in a time of declining population, was matched by a huge outburst in the physical symbols of Catholic supremacy. The distinguished American historian Emmet Larkin estimates that the total cost of Church building and clerical maintenance between 1817 and the Great Famine amounted to as much as £30 million — this vast sum extracted from a population ground down by poverty and racked by periodic famine. ³ But incredible as this financial subsidy might seem before the Famine it paled before the expansion that followed the arrival of the

new rural bourgeoisie on the scene after the Famine. Dr. F.S.L. Lyons points out that "the building of schools, colleges, hospitals, churches and cathedrals went ahead faster than ever and it is no accident that most of the main examples of ecclesiastical architecture in Ireland belong to the period between 1850 and 1880."⁴

In this period, the growth of banks, investment in railways and the rude financial health of the Catholic Church showed that the Irish bourgeoisie was prepared to produce money for safe returns in this world, but only engaged in speculative ventures in the next. Nothing reveals more clearly their selfishness and refusal to provide risk capital than the statistics on idle capital available from this time. Dr. Joseph Lee underlines this reluctance to invest.

"By 1860 about £40 million of Irish money was invested in British Government stock and another £20 million was in deposit with the Irish joint stock and savings banks.. even £60 million may not sound a very large sum until it is realised what a remarkably small amount of capital was required by manufacturing industry."⁵

So much for the actual shortage of capital. But what of the second great component of industrialisation, an adequate food supply. Throughout the period from the Great Famine to the Treaty as down to our own day, Ireland remained a net exporter of food. By 1850 as we have seen in the previous chapter, commercial farming had replaced subsistence agriculture over three quarters of the country and it is now generally recognised that in capitalist terms Ireland had one of the most commercially advanced agricultures in the world. The great structural change from tillage to livestock made it more difficult to envisage a balanced and cheap food supply for a rising urban population engaged in industry. This was logical given that the bourgeoisie envisaged no such change. In 1845 cattle and other livestock made up a third of agricultural output. But by the time of the Great War livestock was three quarters of the total agricultural output. This was the foundation of the crude but accurate observation that "the landlord and the bullock drove the people off the land". The only amendment needed is that the 'landlord' was now of course a Catholic strong farmer.

This class was then, as today, unconcerned with producing for an expanding industrial population, which it had no intention of allowing to come into existence as long as its own export prospects remained good. The fact that livestock production rather than tillage produced inefficiency is underlined by Dr. Lee's comment.

"The farmer showed more commercial than technical alertness, and it remains unclear to what extent his high leisure preference reflected conscious choice. The propensity for livestock production reduced both the potential rural demand for labour and the potential size of the agricultural market for goods and services; the propensity for inefficient livestock production reduced them still further."⁶

The reader will understand why the economic plan in this book stresses the importance of tillage. The question of cattle and the question of tillage have deep political and economic significance in relation to the expansion of employment and industrialisation.

This question of employment brings us to our third component; the supply of labour. Tragically there was no shortage of that commodity and supply always exceeded demand. Indeed, as James Connolly pointed out the huge surplus of cheap labour removed the pressure on employers to increase efficiency by removing the stimulus of rising labour costs. But the argument of the Irish employers that wage demands force them into redundancies, first heard from the lips of Daniel O'Connell is still strident in our own time. Now, as then, the cry of the national bourgeoisie is to be "protected" from investing in better machinery and more efficient marketing.

Labour was not only cheap however, but extraordinarily literate and there were no language barriers to technical progress. This allowed for the borrowing of English modes of production had the Irish bourgeoisie been interested. In 1851 53% of the

population claimed to be able to read. By 1911 the figure had risen to 88% — a remarkably high level by European standards. This in turn created the conditions for the spread of an advanced market economy. People could read trade literature, advertisements, mail order catalogues, use the postal service and generally master the rudiments of modern market communication.⁷

Added to this rise in the ability to communicate was the physical mobility of travel. Ireland had one of the most advanced railway systems in Europe, being one of the first countries to lay down track and move rolling stock. Together with literacy the railway drew the whole of Ireland into a network of communications, bringing traders, goods, newspapers and commodities from Dublin and other large provincial towns and weaving over the whole of Ireland the supply lines essential to a market economy. Any excuse that the Irish bourgeoisie might make about the lack of a market is unacceptable in the light of the literacy, railway system and generally high level of communications available throughout the economy. A simple fact illustrates the point. The number of commercial travellers rose from 500 in 1861 to 4,500 in 1911. The Southern bourgeoisie could no longer complain that Irish trade was dominated by the travelling tinker man. The commercial traveller with his suitcase moved freely by rail. But this opening up of trade seems to have been received with as much enthusiasm on the part of the bourgeoisie as the arrival of street traders today is greeted by the gombeen shopkeepers of any provincial town.

None of these advantages, the abundance of capital, an adequate supply of food, a surplus of skilled labour, a high literacy rate, excellent rail communication and an all Ireland market system — none of these advantages seemed to rouse the southern bourgeoisie to action. Instead, as they do today, they complained about "foreign competition". In this regard certain economists and groups in our own time might reflect on how familiar the following nineteenth century complaint by Winstanley, the shoe manufacturer, still sounds in our time. The quotation is from Dr. Lee's Thomas Davis lecture of 1968. Proponents of the home market panacea as a cure-all should learn it by heart.

"What is true is that the nature of the home market was changing rapidly after 1850, but change meant expansion, as well as contraction, expansion for which many Irish manufacturers were not psychologically prepared, as a remarkable letter from James Winstanley in 1885 shows. Winstanley describes how in shoe manufacturing, the bench system was replacing the old hand sewn method, and as Irish manufacturers were backward in adopting the new system English competition was becoming evermore serious.' ...Of course cheapening means reduction in quality, it is the best feature of the Irish trade that there is no ambition to supplant imported rubbish by rubbish of home manufacture.' After this extraordinary outburst, it is impossible to feel much sympathy for them, when he goes on to blame the shopkeepers for 'introducing and selling to their customers the very lowest class of boots and shoes.' What was happening here was not that the market was contracting but that it was expanding, that a new class of customers was buying its footwear in shops for the first time and that when Irish manufacturers turned up their noses at serving such humble feet English manufacturers took their chance."

As a final postscript to the above anecdote it should be added that in 1975 Winstanleys attempted to avoid paying the National Wage Agreement increase to their employees. The Irish housewife who is now told not to buy cheap foreign shoes is as likely to take as much notice of that advice, as her ancestor in 1885 who, ignoring Winstanleys' nationalist rhetoric went and bought her cheap foreign shoes from Winstanleys' competitors.

By 1907, the class character of the Irish bourgeoisie was clearly defined. As a class they had neither the enterprise nor the commitment to their people which they purported to have. They were rich on speculation in land and railroads. They refused to use this capital for

industrialisation. Instead they hoarded it, apart from small amounts spent in setting up their sons and daughters in the liberal professions or else subsidising an already overmanned Church. By that time, Arthur Griffith had published his *Resurrection of Hungary*, the economic burden of which was that the Southern bourgeoisie should make a manufacturing revolution on the basis of tariff protection. That demand was essentially the same demand that is made today in one form or another by most populist and nationalist groups on the fringes of Irish politics. It is also a demand made by Fianna Fail and elements of Fine Gael. It lies behind all half baked calls for tariff protection, import duties and protection of Irish capitalist industries. These demands are similar to calls for the conservation rather than the industrial development of natural resources in that they call for keeping land, fisheries, oil and gas out of the hands of foreigners, without adding that only the State can use these resources productively. The reason the State does not figure in these demands is because populist groups still believe what Griffith believed in 1907.

The class to whom Griffith addressed his call to arms in 1907 had come under the close scrutiny of a French sociologist M. Paul Dubois, in the previous year. His massive report *Contemporary Ireland* published in the same year that saw the formation of the Sinn Fein league and the first serious attempt to provide a capitalist theory that would galvanise the Irish capitalist class into action.

Paul Dubois began by asking two simple questions. What wealth does Ireland produce? How does Ireland live? Being French and having no illusions that political economy was a divine machine outside the control of mortal man, he began by looking at the class which claimed to rule the country and which expressed itself at that point in time through the Irish Parliamentary party, as later it would express itself through Fine Gael and Fianna Fail. He looked first to see how healthy was the condition of the productive classes and this is what he found in 1906.

"During the last half century the distributing classes have increased in greater proportion than the producing classes. The proportionate numbers of persons employed in agriculture has fallen from 50.9% to 42.7%. The proportion of individuals employed in commerce or dealing, middle men in fact, has risen from 2.6% to 5.4%."

This then was the stagnant and sick picture presented by a class which held in its hands vast quantities of capital as well as the allegiance of the Irish people. What Arthur Young had discovered in 1770 when he complained of business people "quitting trade or manufactures when they have made £5,000 or £10,000 to become a gentleman" was now more than 130 years later to be still seen as true by a visiting French sociologist.

"The proportion of individuals employed in the profession has risen from 1.6% to 5.8%, and that of persons in domestic service from 9.4% to 12.2%... the liberal professions in England amount to 3.2%, in Scotland to 2.8% and in Ireland to 4.4% of the population. Similarly, we find an excessive increase in the number of domestic servants, a fact which according to Mr. Charles Booth can only be explained by the low rate of wages."

These simple deadly facts struck this Frenchman as extremely peculiar. Here was an apparently wealthy country whose bourgeoisie were more interested in becoming solicitors and doctors than in creating employment and wealth. His figures outline the utter corruption and stagnation of the Irish capitalist class who ruled Ireland. Their main industrial activity was the brewing of beer, the distilling of whiskey and the making of biscuits. With their capital stored in banks, their farm labourers on the emigrant ship, their farm labourer's daughters in their kitchens and their own sons studying at medicine or at Maynooth they lay like a heavy burden oppressing and poisoning the Irish body politic like the carcass of some beast, thrown in a pool of what would have otherwise been sweet water. It was to this class that Griffith addressed his appeal to make a manufacturing revolution and from their

infiltration of Sinn Fein in 1918, to their final admission of defeat in the Whitaker programme of 1958, the Irish bourgeoisie went through the torpid motions of pretending to be a national bourgeoisie intent on building up capitalism in Ireland.

But although they had no real intention of doing the kind of hard work involved in creating a capitalist economy, they were anxious to protect the pockets of exploitation that passed for capitalism in their world. Dublin was their gigantic sweatshop. Having driven the labourers from the land, the only class they feared was the infant Irish industrial working class, which somehow breathed and survived in the noisome dens that made Dublin notorious among the capitals of the world.

Arthur Griffith shared these fears of the Irish working class. And so, when in 1901 James Connolly and James Larkin began the process of emancipation Arthur Griffith at once became their deadly enemy. In the year 1911, as bitter strikes swept Ireland, there emerged also the first confrontation between Republican and Griffiths' philosophy. The battles between Eamon Ceannt and Arthur Griffith in the columns of Griffith's newspaper *Sinn Fein* over Griffith's attack on the strikers at Pierce's in Wexford and the Dublin railwaymen who supported the British rail strike, foreshadowed the fundamental conflict between the socialist ideology of Republicanism and the capitalist ideology of Sinn Fein — a conflict which has now been resolved finally by the repudiation of Arthur Griffith's policies contained in this book.

George Gilmore in two fine pamphlets has charted the struggle between Ceannt and Griffith.⁸ Showing that not only was there a conflict as far back as 1911 between Republicanism and Sinn Fein nationalism, Gilmore demonstrates how that conflict between socialism and populism reappeared in each generation in new guises. Gilmore dealing with the Republican Congress points out how the futile 'Bass smashing' campaign of the 1930s showed yet again the working out of the struggle between socialism and populism within the ranks of the Republican Movement. That this struggle would be protracted and bitter was shown again in 1969-70 by the efforts of hibernian nationalists aided by Fianna Fail to divert Republicans from the path of Connolly and Ceannt.

A post script here illustrates that the southern bourgeoisie has always recognised the secular socialist Republican tradition as its mortal enemy. The recently available Dillon/Redmond correspondence shows that the Southern bourgeoisie actively sought the execution of Ceannt and Connolly, as distinct from all the other signatories. This effort was only matched by that bourgeoisie's efforts in 1969 to wreck the Republican Movement in the name of nationalism. Today, Sinn Fein, using the title *The Workers' Party*, to indicate its unflinching commitment to the cause that Ceannt died for, namely the emancipation of the Irish working class shows by the increasing support it draws from the industrial proletariat that it is the only living organisational expression of that classes' needs and ambitions.

But between 1905 and the accession of the Southern bourgeoisie to State power in the south there were two other shadows of class politics cast forward into the future. The first of these was the prophetic call by Arthur Griffith at the first annual convention of Sinn Fein held in the Rotunda in 1905 when he said: "As to the introduction of foreign capital, let me say at once we don't want British capital. But we want if possible, Irish American capital."

Today Arthur Griffith's dream has come true. Irish American capital (or rather American monopoly capital with a minority Irish shareholding) dominates Irish industry, Irish agriculture, banking, oil, gas and mineral resources. Today for every £1 invested by British capitalism in Ireland the Americans invest £2. Alone on the Irish Left Sinn Fein *The Workers' Party* has identified American monopoly capital as the dominant exploitative influence in Irish political economy.

The second shadow thrown forward comes from the events surrounding the take-over of

the national liberation struggle by the Irish middle class after the 1918 election. Having locked out and starved the working class of Dublin in 1913, having called for the liquidation of the socialist leaders of the 1916 insurrection, the Irish bourgeoisie took new stock of the public temper and from 1917 onwards steadily infiltrated the new Sinn Féin organisation. This opportunism is excellently portrayed in fictional form by Brinsley MacNamara in his novel, *The Clanking of Chains*. But its significance is often overlooked by so-called left parties who today call for just such a Coalition of nationalist forces in the cause of Irish sovereignty. The class character of the expanded Sinn Féin organisation and the role of the working class within it in relation to all other classes was outlined succinctly by Ernie O'Malley:

"The countryman, sympathetic enough where a land revolution is concerned, was hostile to the revolution of organised labour. The farm labourers could understand the city workman and was organising in labour unions with him. The movement as a whole was hostile to labour claims, even though labour had helped prevent conscription, had not contested the last (1918) election and was now refusing to carry armed troops."⁹

So already in 1918 the Irish bourgeoisie were the triumphant victors of an election won for them by the sacrifices of the organised working class in town and country. In the following year, 1919, the victorious bourgeoisie consolidated its class position when they first rejected, then revised the Labour submission of the **Democratic Programme** of 1919. The term 'Democratic Programme' was first used at the Dublin Trades Council in March 1918. The Labour draft prepared by Tom Johnston for the first public meeting of Dail Eireann was based on the half socialist, half populist socio-economic views of Patrick Pearse as expressed in *The Sovereign People*.

Among other revisions was one which showed that Pearse, writing in 1916 was too radical for a Sinn Féin meeting in 1919. Sean T. O'Kelly, acting as agent for the Sinn Féin national bourgeoisie watered down Pearse's statement. "No private right to property is good against the public right of the nation" to a gobbledegook which read "all rights to private property must be subordinated to the public right and welfare".¹⁰

Emile Strauss points out that had Griffith and his moderate supporters been present even the populist document known as "The Democratic Programme" of Dail Eireann "would not have been passed".¹¹

From this reactionary class position the well-known events leading to the Treaty and State power for the Southern bourgeoisie preceded inexorably. Hardly had the sound of the guns that reduced the Four Courts died away, than the triumphant bourgeoisie commenced to attack their defeated fellow countrymen. The ink on the Treaty was hardly dry when the Freeman's Journal carried the first messages from the employers to the workers. "We, the Waterford farmers must now insist in a reduction in the wages currently being paid to the farm labourer". On July 13th 1923 the Dublin stevedores cut dockers' wages by two shillings. Building workers, coalmen, carters, tradesmen, transport and manufacturing workers had their wages cut or frozen. As the misery of the working class mounted they found it difficult to pay their small debts. Speaking in Dail Eireann in March 1924, Kevin O'Higgins brutally set out the philosophy of the national bourgeoisie on the collection of debts and their view of what constituted a civil order. He said "The ceasing of the bailiff to function is the first sign of a crumbling civilisation."¹² This savage attack by the employers backed by the State power decimated the Irish trade union movement. At the height of the War of Independence, trade union membership had stood at 130,000. By 1926 it had been cut to 95,000, numerically weaker than it had been in 1913 at the height of the Dublin lock-out.

At the same time because a rural bourgeoisie needed cheap imports of maize and grain to support their production of cattle for export and because the Cosgrave Government was a farmers' Government, the second victim of the Southern bourgeoisie (after the Irish working

class) was the tariff policies of Arthur Griffith. Although his party was in power, the needs of the strong farmers, who wanted free trade were serviced first.

Cumann na nGael, who had shed blood for the Treaty dismissed Arthur Griffith, the man who had signed the Treaty speaking through the mouth of Kevin O'Higgins. But "the propagandist writings of any one man cannot be accepted simply as revealed truth, requiring no further investigation."¹³ Once again the bourgeoisie proved itself more hard headed about economics than the so-called populists of today, who accept Griffith's writing as scripture. The pressure behind this repudiation of Griffith came from the rural bourgeoisie. Throughout the '20s the farmers were supported by every fiscal measure at the expense of social welfare and of course at the expense of the urban working class. Patrick Hogan, the Minister for Agriculture defined his policy as "Helping the farmer who helped himself and letting the rest go to the devil." In his essay on the period, Professor James Meenan makes this comment:

"This then was a policy which gave priority to the farmers. They were not unduly grateful. Gogarty remarked at the time that the Farmers' Party existed in order to oppose everything. That may have been unfair, although they were among the foremost opponents of the Shannon scheme in 1924-25."

This last point, the opposition of the rural bourgeoisie to the first great state company, the Electricity Supply Board, fittingly brings to a close the sordid history of the Irish bourgeoisie from their first appearance as a capitalist class in 1760 down to their accession to state power in the 1920s

Summary

Let us now attempt to summarise the rise of the Irish bourgeoisie. Emerging from the shadow of the penal laws it secured its religious emancipation, as Wolfe Tone pointed out, at the expense of poorer Catholics. It used the Catholic Emancipation movement to secure its political entry into parliamentary life and to consolidate its political grip on the Irish peasantry. Refusing to industrialise or urbanise it was the only beneficiary of the Great Famine of 1847. Thirty years later it turned the land wars to its own benefit to consolidate the private ownership of the land. Having cleared its labourers along with many of its sons and daughters from the land, they settled into the twin tasks of exporting cattle to a foreign market and priests and nuns to the foreign missions. In 1905 Arthur Griffith provided this bourgeoisie with an ideology of industrialisation, which it first ignored, going on to celebrate its hegemony over Irish political life by locking out 100,000 men, women and children. In 1914 it sent thousands of employees and labourers to die in an Imperialist war. In 1916 it pursued the socialist leadership of the Irish Volunteers and the Citizen Army to the death. In 1917 it took stock of the situation and began to infiltrate Sinn Féin and captured its leadership. The victory of Sinn Féin in the 1918 elections was in substance its victory. In 1919 it deleted Patrick Pearse's socialist principles from the Democratic Programme and from 1919 to 1921 it watched while farm labourers and city workers drove the British Government to a settlement of the national question in the South. In 1922 they shot the farm labourers and city workers who had done the fighting. In 1923 and '24 they began the systematic destruction of the Irish trade union movement, stopping briefly to declare Arthur Griffith irrelevant to their needs. They built up the strong farmers of Ireland by grinding down the city workers. By 1932 they had committed almost every crime that a capitalist class can commit but had rejected the only attribute which gives that class credibility.

They refused to industrialise. They refused to create a modern society. They refused to spend their money.

Now in the year 1932 with the accession of Mr. De Valera to office they and Arthur Griffith were to be given one final chance. Once more, and with absolute finality, they failed.

4-Collapse of the National Bourgeoisie

The period between the first Fianna Fail Government of 1932 and the publication of Dr. Whitaker's **Economic Development** in 1958 provided a full and fair test of the capacity of Irish capitalism now working in conditions of political freedom to make Ireland a wealthy and prosperous nation. This quarter of a century was therefore a protracted examination of the class which ruled Ireland on the basis that it alone was capable and fitted for state power.

In 1958 that class left the examination hall even before the examination was over, handing up its smudged, tattered and abject test papers for the inspection of Dr. Whitaker. There was no delay in the examination results. In his published assessment of Irish capitalism's performance Dr. Whitaker failed the Irish bourgeoisie in every subject, industry, agriculture and services. Summing up 35 years of native capitalist rule Dr. Whitaker wrote "failed" across the top of the paper and dismissed the candidate with these bleak words:

"After 35 years of native Government, people are asking whether we can achieve an acceptable degree of economic progress. The common talk among parents in the towns, as in rural Ireland, was of their children having to emigrate as soon as their education is completed, in order to be sure of a reasonable livelihood."¹

Dr. Whitaker recommended in effect that the sick company, trading under the name Irish Capitalism Ltd. be wound up and the contract given to American monopoly capital. Naturally, being a member of the Irish bourgeoisie himself he did not put the matter as crudely as that. But that was what he meant and certainly that is what then occurred.

The collapse of the national bourgeoisie in the period 1932-58 was final. In tracing that collapse however we do not intend to be as strict as Dr. Whitaker. Instead, we propose to judge the Irish bourgeoisie's performance in its finest hour, the period of Mr. De Valera's regime when the greatest effort was made to put native Irish capitalism on its feet.

Certainly we are putting on the weighing scales the fact that the southern bourgeoisie could in that period hardly blame the Act of Union for its failure. On the other side we will give them the benefit of the doubt during the Cosgrave period, in case there are any moanings about "the first difficult years of freedom". Instead we will judge them ten years after Independence, taking the period between 1932-'58 as being a reasonable testing ground of their right to rule.

The Fianna Fail Government that came to power in 1932 was the only regime to give a full and fair test to Arthur Griffith's policy of economic nationalism. As early as 1928 Sean Lemass in Opposition told Dail Eireann that Fianna Fail accepted Griffith's theories and went on to elaborate what that meant. "We believe that Ireland can be made a self-contained unit, providing all the necessities of living, in adequate quantities for the people residing in the island at the moment, and probably for a much larger number.

This statement of self-sufficiency went much further than Griffith who only believed in tariff protection for industry in its early stages so that the infant capitalism would grow strong and then without protection take its place in the global capitalist network. The Fianna Fail theory of isolation and self sufficiency on a permanent basis was to be repeated as late as 1943 in the St. Patrick's Day speech of Eamon De Valera who told the Irish people that the Ireland he dreamed of would be the home of a people "who were satisfied with a frugal comfort and devoted their leisure to the things of the spirit". All the evidence suggests that his listeners took that statement at its face value. Certainly the Irish capitalist class had devoted

its best energies to implementing the frugality desired by Mr. De Valera on those they employed while retaining the option of regarding the speech as not applying to themselves.

The Fianna Fail Government of 1932 therefore set out to test the policy of Protection to the fullest degree in order to build up a strong native capitalism on the basis of manufacturing industry. The thorough and unflinching trial Eamon De Valera gave to the Irish bourgeoisie succeeded only in exposing all the cracks and corruptions of their class structure. In failing to build a native capitalism Mr. De Valera nevertheless removed for all time any excuse that Irish capitalism had not been given every chance.

In March 1932, immediately after forming its first Government, Fianna Fail introduced 43 new duties and tariffs. Along with this Mr. De Valera made a strong drive to tackle the structural problems of the economy, or in the words of Dr. Lyons, "To free the countryside from the dominance of the cattleman, to extend the area of tillage, to develop home industries and thus provide employment for those who might otherwise be obliged to emigrate."³ In pursuit of this policy Mr. De Valera took the following measures, in the period 1932-'36 duties were placed on over 1,000 imported commodities. Tillage was vigorously encouraged by subsidising home grown wheat, to reduce cattle herds a bounty was paid for calf skins and a free beef scheme for the unemployed introduced. Above all the Control of Manufactures Acts, 1932-34 attempted to protect Irish industry from penetration by British capital.

But this sound and fury signified nothing. As Dr. Meenan remarks "None of the policies were as revolutionary as they appeared." The policy of self sufficiency was an illusion. If Irish industry was to get raw materials they had to be imported and paid for by exports. "The country could not retire into isolation, even if several members of the Government would have accepted isolation without regret." But above all the policy failed because no action was taken against the industrial, financial and rural bourgeoisie who set out to erode and wreck each and every measure and did so with consummate success.

First, in agriculture, the free beef scheme for the unemployed was abandoned in the teeth of rancher opposition and the dominance of livestock acknowledged by the Coal - Cattle Pact between Britain and Ireland in January 1935. While the tillage policy at first appeared to be successful, rising from a wheat acreage of 2,000 acres in 1931 to 255,000 in 1936 Dr. Meenan points out that this "was largely achieved by changing out of other crops." The cattle class refused to be budged and the total tillage area rose from 1,425,000 in 1931 to only 1,621,000 in 1936. The class resistance of the strong farmers during the land annuities struggle expressed itself eventually in the fascist grouping of the Blueshirts. Though politically defeated, their economic grip was unbroken. The national cattle herd, the physical symbol of their class power, was undercut by Mr. De Valera's measures, falling merely from 4,029,000 in 1931 to only 4,014,000 in 1936.

Behind the rhetoric and excitement of small farmer support for De Valera's economic war and indeed behind the earlier populist drama of O'Donnell's land annuity marches, the rural bourgeoisie went on unmoved to maintain their class grip on the countryside, never losing sight of their two strategic objectives; to keep open the export of live cattle to British and for foreign markets which in turn would lead to the more rapid emigration of smaller farmers and thus their second objective, concentration of larger land holdings in the hands of their own class. Their success can be gauged from the following facts presented by Dr. Lyons: "As soon as the Coal - Cattle Pacts gave grounds for hope of better times, farmers began thankfully to revert to their old pattern. Indeed by 1937-38... cattle now took 50.8% of agricultural exports compared with 43.8% in the earlier years: the percentage share of every other significant agricultural export except horses had declined in the interval."⁴ The reader will note that tillage is the permanent casualty in the war of the rural bourgeoisie. The question of tillage is therefore a class question as well as a purely economic question and for this reason

forms a significant part of the agricultural plan.

As for the second objective of the rural bourgeoisie, the destruction of the small farmer, the regime of Mr. De Valera with its huffing and puffing about the backbone of the country saw if anything a massive escalation of that war and its ruthless prosecution down to our own time as the following figures reveal. In 1931 farms of up to 30 acres made up 57.9% of all holdings — by 1960 in 30 years such farms had dropped to 49.6% of the total. The human consequences were even more dramatic. For every 100 men working in agriculture in 1931 only 76 were working in 1960. This hides the class changes however. Because for every 100 men working on farms up to 30 acres in 1931 there were only 50 working by 1960. But in the same period, for every 100 working on farms of over a hundred acres only 12 dropped out. The rural bourgeoisie was therefore not only clearing out the smaller farmers and amassing more land, it was keeping its own class numbers virtually intact. Commenting acidly on the pretensions of Governments in these years to be transferring wealth from town to country Dr. Lyons remarks, "It is at least as possible that the real transfer of wealth may have been from small farmers to large farmers."⁵

So much for the national bourgeoisie's pretence of making Ireland a "nation of small farmers" in the period 1932-58. The result of their labours was to decimate rural Ireland in what Ireland's leading historian cautiously acknowledges was a class struggle involving the transfer of wealth and land from the smaller farmers to the larger capitalist producers — the class which today numbering only some 26,000 commercial and development farmers are the true successors of the ranchers and Blueshirts who broke Mr. De Valera's shortlived policy of harnessing capitalist agriculture to the needs of manufacturing industry.

But if economic nationalism was trampled beneath the herds of the ranchers, what of the central policy of Fianna Fail, the creation in that period of a native capitalist class, engaged in manufacturing industry?

As we have seen, 43 tariffs, over a thousand import duties, and the extensive Control of Manufactures Act provided a huge umbrella beneath which the native capitalist was encouraged to carry on production, sheltered from the wind and the rain of foreign capitalism. But these tariffs, duties and Acts were not designed merely to shelter but to stimulate. Mr. De Valera saw them as a great glasshouse which would nurture what he thought was the potentially strong plant of Irish capitalism. Having built that glasshouse, Mr. De Valera thought that the laws of economics of which he was woefully ignorant would fertilise and seed. Soon, he imagined, a powerful healthy manufacturing class would burst out of the greenhouse and astonish the world.

Nothing of the sort happened. The initial rise in manufacturing employment from 111 thousand in 1931 to 154 thousand in 1936 tapered off and remained stagnant for the next 25 years. The price of running a glasshouse for the Irish employers was enormous. Lacking the cheap fuel and raw materials essential for industry of the type attempted, the only solution was to import these materials. This caused imports apart from food to rise from £27.6 million in 1932 to £30 million in 1938. Meanwhile Protection damaged the strong export industries such as brewing and biscuits and all non-agricultural exports dropped in value from £6.4 million in 1932 to £4.4 million in 1938. Above all the report of the Banking Commission of 1938 showed that the usual greed of the Irish bourgeoisie meant that capital, the life blood of industry could only be secured by paying punitive interest rates. Meanwhile the tiny home market steadily depleted by emigration could not provide a solid base for the development of capitalist firms large enough to trade to the outside world.

By World War II, Mr. De Valera's half hearted attempt to create an industrial revolution, without tackling the class forces that obstructed that revolution, had demonstrably failed. The root of that failure went much deeper than the problems of home market and shortage

of raw materials mentioned above. In essence, as throughout our whole period they had to do with the question of capital. Without massive capital investment no industrialisation was possible. And capital was in the hands of the Irish private sector. The central domestic factor which prevented an industrial take-off was the fact that the Irish capitalist class refused to commit their capital to making an industrial revolution. That refusal in scientific socialist terms took the form of a refusal to dilute their share capital as a conscious act of class preservation. This key concept like all economic concepts can only be understood in its historical setting.

In simple terms in order to defeat the Republican forces in 1922 and maintain its class dominance the Irish national bourgeoisie was forced to do a deal with the Anglo-Irish oligarchy who dominated the Banking system. The anecdote which tells of Michael Collins arriving at the Imperial Hotel in Cork to meet the commercial leaders of the city and turning to Canon Duggan with an unprintable remark about the politics of those present, illustrates the dilemma. Facing Collins were the bankers and industrialists who for the previous four years had heaped abuse on the Republican forces. Collins of course swallowed his pride, shook hands and accepted the congratulations and the cash. So did his colleagues and his class in the years that followed.

The ensconced position of the Anglo-Irish and Castle Catholic oligarchy can be seen from the most prominent names in O'Neills Commercial and Industrial Directory of the Irish Free State for 1937. The leading names include the Earl of Bective, the Earl of Kenmare, Sir W. Basil Goulding, the Right Hon. Sir Stanley Harrington and Thomas Dwyer, ex High Sheriff of Cork.

The power of the Anglo-Irish and Castle Catholic bloc faced the new national bourgeoisie with a serious dilemma. The group was a coalition of those who had either supported Crown and Castle before 1922 or else had supported the Parliamentary Party who belatedly jumped on the Sinn Fein bandwagon. Facing this class was a new national bourgeoisie, composed first of Cosgrave's rancher bourgeoisie and later of De Valera's petty bourgeoisie who wanted a Republic of small farms, small shops and small capitalists. The national bourgeoisie could either do a deal with the Anglo-Irish oligarchy or throw their lot in with the revolutionary pressures of the workers and small farmers which constituted the Republican challenge. Similarly the Anglo-Irish oligarchy in 1922 had the choice between either standing publicly by the Crown or accepting the new national bourgeoisie's public position on the Crown.

Neither side hesitated a moment. The Anglo-Irish oligarchy valued its capital more than the King of England and the new national bourgeoisie coveted that capital to the point of being prepared to ignore the nominal shadow the King cast over Free State politics. Both sides above all knew that the only alternative to doing a deal was a social revolution and the loss of their former privileges. They fell into each other's arms not as lovers but in a match made by capital.

The rewards were great. The Anglo-Irish oligarchy found that by standing for the new anthem and tolerating the national bourgeoisie's bloodthirsty and empty rhetoric about 'ending partition' they were allowed to hold on to their Banks and insurance houses. Besides the bloodthirsty speeches were always comfortingly laced with equally dire warnings by the nationalist orators about "British based trade unions" — a group of malcontents who were a thorn in the side of the old and new bourgeoisie alike. For their part the national bourgeoisie found that the Anglo-Irish had much wisdom in the matter of investing the capital which was now finding its way into the hands of the national bourgeoisie. Reaching agreement on the question of investing their capital properly both groups amalgamated to form the new Irish capitalist class. Cemented by capital, this class took a pragmatic and commonsense view of Mr. De Valera's naive efforts to achieve self-sufficiency. Outside the boardrooms of the Banks,

they kept their opinions to themselves. If Mr. De Valera wanted to protect them for foreign competition, said the industrialists, that was all to the good. But equally they agreed with the Bankers, who pointed out that protection was all very well, but investing in Irish industry was not so attractive as the London Stock Exchange. And as the directors of Irish industry were also the directors of the Irish Banks it was easy to have the best of both worlds. Let Mr. De Valera and the Irish working class pay the interest rates for the capital needed for Irish industry. Meanwhile they would invest that capital abroad which in turn would be borrowed back by the Irish taxpayer. It was a perfect circular world in which capital moved from Ireland to Britain and back, growing all the while with no risks to anyone concerned. The only people to lose on this merry-go-round would be the working class including those in the detested 'British based' unions.

This account of the formation of the new bourgeoisie, far from being a crude simplification is sustained in every detail by examining the composition of Irish industry and banking in 1937 and the subsequent actions of that class. The union of Irish industry and banking which scientific socialists call "finance capital" is shown by this small sample from O'Neill's Directory in 1937. James M. Carroll was a director of the Provincial Bank of Ireland, Chairman of P.J. Carroll & Company and a director of the Irish Dunlop Rubber Co. and Goodbods Ltd; Sir Lingard Goulding, Director of the Bank of Ireland was also a director of John Jameson & Son; Thomas Shannon Martin, Deputy Governor of The Bank of Ireland was a director of T.C. Martin Ltd; James Dwyer Director of the National Bank Ltd., was Chairman of Dwyer & Co. Ltd., Cork, Hanover Shoe Co., Lee Boot manufacturing Co., Commercial Building Co. and Eustace Ltd; The Earl of Kenmare was Director of The National Bank, Arthur Guinness & Son Ltd., and the Royal Insurance Co. Ltd.; Thomas Dennehy Halinan, Director of the Munster & Leinster Bank, the Cork Milling Co. Middleton Milling, all to be later absorbed by Ranks.

Lest this sample, with its sprinkling of titled names, be abused in some sectarian analysis it is important to remember that this list represents the coalition between Anglo-Irish financial oligarchy and Mr. De Valera's new 'national' bourgeoisie. The list of firms and the interlock between banking and industry is not complete as many other directorships have been omitted for the sake of brevity. This industrial and banking conglomerate, backward and conservative, was to provide an easy target for penetration by British firms such as Ranks in the period 1932-58.

But a far more important indicator of their stupidity was the refusal of the Irish private companies to go public. This meant that an active capital market, that is a Stock Exchange for domestic issues, was never developed in Ireland. This refusal by the Irish bourgeoisie to create an active Irish capital market was underlined by their retreat from the rough and tumble of the public money market to the seclusion and safety of the private company. The number of public companies rose from 137 in 1938 to only 169 in 1954. At the same time, the number of private companies rose from 900 in 1938 to an enormous 2,121 in 1954. The meaning of this development was that Irish industrialists had no desire to see a dilution of their share capital. This was a conscious act of class preservation. But even in 1937 the overall pattern was clear. Irish industry, through the banks had a monopoly control of the outlets of capital in Ireland. Capital could therefore either flow into Mr. De Valera's greenhouse or it could leave the country. But the protected inhabitants of Mr. De Valera's greenhouse refused to expand and sent capital out of the country or else let it lie idle. The Stock Exchange Market never developed because there was no need for it. The same class owned both bank and factory and an open capital market was replaced by the simple movement of funds from bank to factory in a stagnant and over-protected industrial structure.

By 1937 Finance Capital was already the dominant form adopted by the Irish capitalist

class. As a class group it had two functions; to carry on a desultory pretence that it was engaged in manufacturing industry, and more seriously, to invest its capital in the most profitable market. At no time did it take the task of industrialisation or Mr. De Valera seriously. Accepting his free gift of Protection in 1932 they balked at allowing his "economic war" to threaten the free movement of their capital. By 1938, feeling that the noisy shadow boxing between Mr. De Valera and the British Government had gone on long enough they brought pressure to bear for a normalisation of relations. The Anglo-Irish Treaty of 1938 was a victory, not only for the rural bourgeoisie but for the finance capitalists who wished to move their capital freely without further danger that political scuffling might spill over into the more serious area of social discontent.

The Treaty of 1938 marked the end of Fianna Fail's isolationist policy and effectively repealed the Control of Manufactures Acts. Mr. De Valera got the ports and the ranchers got the cattle exports. The national bourgeoisie heaved a sigh of relief. But their patriotism was soon tested again. The Treaty of 1938 was followed by World War II, which led to a shortage of raw materials and a reduction of 25% in industrial output. The national bourgeoisie immediately showed their patriotism at the outbreak of war by using their banks to shift the money they had made in industry out of the beleaguered economy. In 1939 only 50% of the capital in Irish Banks was outside the State. By the end of the War a staggering 72% of all bank funds was earning interest outside the State.

By 1949 the new national bourgeoisie were proving apt pupils of the old Anglo-Irish financiers. They had begun either to hoard their money like misers or to send it abroad in the Anglo-Irish suitcase. The first victim of this new ruthless national bourgeoisie was Irish industry and the scoreboard of the Dublin Stock Exchange showed that this bourgeoisie was national in name but international when it came to investing cash. Back in 1936, in deference to Mr. De Valera the national bourgeoisie had invested £2½ million in industry. By 1949 they had withdrawn nearly £2 million, leaving a miserable £673,000 in Irish industry. So much for a healthy Irish capitalism full of confidence in its own people. Their greed is underlined by the 1949 figures which showed that the 'personal savings' or surplus in the hands of the Irish petty bourgeoisie and bourgeois alike was twice as large a proportion of Gross Capital Formation as it was in the United Kingdom at the same time.

By 1953, to the long catalogue of avarice, hoarding, refusal to invest in their own country, export of capital and fleecing of the working population, we can add still further evidence to show that this tight-fisted retarded and unbelievably wealthy class was still engaged in starving industry in order to swell the coffers of the Banks. In that year a submission by the Federation of Irish manufacturers to the Committee on Taxation of Industry showed that Irish industry was already deeply in hock to the Banks. No less than 15% of all industrial capital was made up of Bank overdrafts. Britain's manufacturing capitalists had in the same period according to the Radcliffe Report only borrowed 3% of their working capital from the Banks.

Little wonder that starved of capital Irish industry failed to expand and create the jobs so desperately needed by town worker and small farmer alike. By 1958 there were only 168,000 people employed in manufacturing industry, as compared with 154,000 in 1936.

What then in summary was happening between 1932 and 1958? The sequence ran as follows. The Irish business class wanted to go on exploiting the Irish working class. But it refused to put its shares out on the open market and to raise money on the Stock Exchange because this would mean letting other people in on the loot. So from where did it get capital? It got the capital by borrowing from the Banks. But as these borrowings increased the Banks rapidly took over industry. As we have seen the directors of industry and the directors of the Banks became the same people. From then on what was happening was that this class was

taking profits out of industry, putting it into the Banks, loaning some of it back to themselves and exporting the rest. As soon as the Irish employers got their hands on the surplus value from Mr. De Valera's factories, they put it into their own Banks and shifted it abroad. Or lent it back to themselves for personal consumption or to meet that most dreaded of all eventualities, a successful wage demand.

This selfish closed circle of industry and banking formed a whirlpool that sucked away the capital produced by the Irish working class, closed off the industrial outlets for capital, retarded Irish industry and of course caused the enforced emigration of one million men and women in that period. As a class crime it rivalled the Great Famine, although its effects and course were less apparent in that the corpses were to be seen, not littered across the Irish countryside, but took the form of the living death endured by the suffering proletariat which moved from town and country to their only haven, the British Welfare State, and the care that was such anathema to the Irish hierarchy and the pious lay hypocrites who had caused and blessed this exodus.

Another brief flirtation by the Inter-party Government (1948-51) led only to a Balance of Payments problem which drew attention to the central contradiction of trying to operate a highly protected economy while exporting nothing much except cattle on the hoof, while, and at the same time, importing cheap foodstuffs for the ranchers together with raw materials for the finance capitalists pretending to be manufacturers. The bourgeoisie marked its displeasure at the presence of Clann na Poblachta by further decreasing its investment and stayed in a sulk until 1960, when Dr. Whitaker reassured it that the US cavalry was on its way.

Bleeding from the haemorrhage of rural emigration, sucked dry of capital by industrialists and bankers, starved of jobs and security, the Irish people presented a pitiable spectacle in the late 1950s. A massive human exodus began to take place. Turning away from a sick economy straddled by a grasping and ruthless bourgeoisie which regularly whipped up fascist outbreaks such as the Maria Duce campaigns, and bombarded the cowed and terrified working class with the Cold War rhetoric of John Foster Dulles, hedged in by clerical reaction and sexual repression and stripped of all confidence in any prospect of survival for their class, the Irish proletariat began to move in ever greater numbers away from this slaughterhouse of human hopes and ambitions and set their face to the thriving factories and towns of the English midlands. In the last five years of the 1950s nearly half a million men and women left Ireland convinced that it was doomed, and unwilling to suffer any further torments that the Irish bourgeoisie might devise for those who remained behind.

Many of them went with a new understanding that this time the guilty men were not only 'British Imperialists' but their own fellow countrymen. The class politics that should have burst forth in Ireland was suppressed and exported to the car factories and building sites of Britain. Even here their tormentors pursued them and pulpit and political platform in Ireland resounded with dire warnings about the sinister doings of the Connolly Association, whose members trade union activities in Britain were presented in Ireland as a dark mixture of Judaeo-Masonic conspiracies, sexual orgies and Atheistic communism.

That period of course could not close without a parallel explosion of petty bourgeois nationalism which took the lives, among others, of Fergal O'Hanlon and Sean South. There was one positive consequence of that explosion — the jailing for years of those young men who had taken the Irish employers' nationalist bombast and propaganda at its face value. During these years some of these young men took stock of the situation and thought long and hard, not about Partition, but about the fundamental cause of Ireland's misery. The result of their thought and subsequent action is today expressed in the political organisation, Sinn Féin, The Workers' Party.

Meanwhile, the cause of Ireland's misery, the Irish capitalist class was taking stock as

well. By 1958, their workhorse, the Irish proletariat, whom they had driven long and hard and from whom they had extracted so much labour and surplus value had dropped to its knees and was at the point of death. Flogging a dead horse struck the Irish bourgeoisie as an unprofitable exercise. There was also a distinct possibility that their gigantic sweatshop, the Irish Republic might throw in the towel, and its people leave in even greater numbers abandoning the Irish bourgeoisie to preside over a nation of geriatrics and infants from whom no useful labour could be extracted. Reminding itself that throughout the '30s and '40s it had failed to batter down even the minor citadels of British industry in Ireland, the Irish bourgeoisie faced up to the fact that without some fresh source of capital and some new means of putting the horse back in harness, no further profits could be made. They decided to bid an almost final farewell to Griffith and Protection.

In the year 1958, therefore, with the house in ruins and the servants departing for Britain, they called in an expert in renovation, Dr. Whitaker. In **Economic Development** published in 1958 he advised them to sell the house to the Americans, while retaining a minor share in any profits that might be beaten out of the servants. It was a timely and inevitable decision. Swollen by wartime expansion, bursting with surplus capital and hungry for fresh outlets, American monopoly capital was waiting like a wolf at the door.

5-Monopoly Capital in Ireland

Today when the Irish capitalist class engages in maudlin reminiscences about the time they almost became a national bourgeoisie, the production of Dr. Whitaker's death certificate is usually enough to stop these ramblings and send them out of the drawing room where the new American owners are talking business, back to the kitchens in search of somebody on whom they can vent their spleen. The Irish bourgeoisie is kept on in the monopoly house as part handyman, part overseer and part footman called upon to open the door from time to time to admit visiting American, Japanese and continental visitors, a task which is carried out with much public bowing and scraping and much private mutterings about what it might have been if they had been given 'half a chance'.

Not all of these maudlin ravings are harmless however. Sometimes the Irish bourgeoisie begins to believe its own fantasy and gets dangerous and vicious as in 1969, when like a wounded hyena they tore and snapped their way into the Republican Movement, attempting to make up for their loss of economic power in the South by spilling workers' blood in the North. This was an attempt by the national bourgeoisie to convince the working class that they still held the symbols of political power even if the economic substance had long been sold. This party has not forgotten that attempt and will expose any blustering attempts, even on the left, to revive the fortunes of the national bourgeoisie, even if that revival can now only take place in rhetoric and not in real life. For that reason it is important that the scientific socialist position on the transformation of the Irish economy between 1958 and the energy crisis of 1973 is clearly understood.

First we need a clear definition of monopoly capital. Scientific socialists believe that the final stage in the history of capitalism is now in sight. Monopoly capital is the name given to this final phase, where capitalism reaches its highest point and begins to die. Monopoly capital has five marks or features: the concentration of industry and banking into monopolies which dominate economic life; the merging of Banks and industry through a "personal union" where the same people are directors of both, creating a financial oligarchy which rules the state; the export of capital from advanced countries already in the grip of monopoly capitalism; the domination of the world by huge monopoly corporations; the division of the world between the major capitalist powers.

Each of these five features with the exception of the last, which has been obstructed by the setting up of socialist countries, applies to one great power in particular. The United States of America is now the home of, and the fullest expression of, monopoly capital. In 1976, the USA, with 6% of the world's population, owned 60% of the world's realised wealth. Its corporations made two and a half times more profit from investment abroad than investments at home. It spent £98 million every day on its military budget to defend these investments. At home in the USA monopoly has reached staggering proportions. America has over 11 million firms. But 97% of these have receipts of under \$1 million. In contrast the top 500 corporations get 80% of all profits in manufacturing. The top 100 of these get 50% of all profits from manufacturing. Finally the top four companies produce over 50% of the total output. The acceleration of monopoly can be seen from the fact that in the eight years 1897-1905, in the early days of monopoly only 2,800 mergers took place. In the seven years between 1965 to 1972, 19,000 mergers took place, leaving the Rockefellers, General Motors, Ford, Chrysler, Armco, Dupont, General Electric, Westinghouse and others, the undisputed

masters of American monopoly capital.

This then was the American monopoly giant that was invited in by the Irish capitalist class following the publication of Dr. Whitaker's **Economic Development** in 1958. The period of monopoly capital was now about to begin for Ireland as it had for hundreds of other 'sovereign' states throughout the world. But the Irish capitalist class were different in one important respect. They had already started the process of monopoly among themselves. The Americans, when they arrived would feel immediately at home.

In the story of American monopoly capital in Ireland 1958-76 there are three important aspects. Firstly, the nature of American monopoly capital in Ireland. Secondly the subjective role of the IDA in attempting to build up foreign capitalism which objectively resulted in increasing the numerical strength of the Irish working class. Thirdly, the manner in which American monopoly capital is still expanding by using the monopolistic tendencies laid down like a railway track by the Irish capitalists from 1937 to the present day.

First, let us examine the nature of American monopoly capital at the time of its arrival in Ireland. At the end of the Second World War, the old capitalist powers of Europe were weakened or in ruins. Japan, the only challenger in the East was approaching surrender. Only the United States with its swollen war wealth was able to take advantage of the situation. American capital in 1945 overshadowed all rivals, holding three quarters of all the world's investment capital, together with two thirds of the world's industrial capacity, within its own frontiers. It needed to go international and find new outlets. Already Standard Oil New Jersey, and the great Rockefeller trusts had blazed the way. Using the Marshall Plan and later the International Monetary Fund as cloaks, American capital blasted its way into Western Europe in search of fresh profit and to raise up a bastion against the Soviet Union and its allies in the form of a "Common Market".

On their way to the dominance of the world market, the Americans brushed aside the puny capitalism of even the oldest Imperialist countries. On its way to Ireland it sliced through British capital, taking a huge wedge out of its industry and banking. Today, 20% of the total output of the United Kingdom is produced by American companies. In banking, American banks control more funds in London than the London Clearing Banks —£33.6 billion as against £31.6 billion. Even the British Government itself is in debt to American capital with two thirds of British public borrowing from American controlled banks. In the private sector £6 out of every £10 capital comes from American banks, or foreign banks under American influence.

What marked American monopoly capital out from its ruined European competitors was its interest in the key industrial growth sectors. British capitalism in Ireland was a hodgepodge of textile firms, provender mills and washed out drapery chains. But American capital had no interest in any sector but modern growth sectors like plastics and engineering. In Britain itself it had proven this by seizing a strong hold on all the vital industries until then regarded as traditionally British. While British capitalism in Ireland was running shops the Americans in Britain were taking over great industrial plants. By 1975 American capital controlled over a third of British vehicle production, a quarter of British chemicals, a fifth of its electrical engineering and a third of Britain's most "British" industrial showpiece, the engineering industry. Having cut this swathe through Britain's three great output areas, steel, chemicals and engineering, American capital had no interest in the small shops that Britain ran in Ireland under the guise of manufacturing industry.

In Britain, the manufacturing class had put up some resistance to American capital before swallowing its pride. But in 1960 simpering gillies who came to open the door of the Irish economy, humbly identifying themselves as the caretaker capitalist class, had no such shame. They offered to show the American visitors around their leaky and ramshackle property. The

Americans told them not to bother. They had already done their own architect's survey and knew to a penny what the property was worth.

From 1960 onwards, the Americans used either their Irish subsidiary accountancy firms or their own consultants to take accurate pictures of the Irish economy. The pictures sent back were familiar and attractive. Irish capitalism was like a raddled and blowsy prostitute, long past her best. But the Americans thought she had possibilities because of her three vital statistics. Her balance of payments was in crisis, her rate of capital formation was insufficient to generate employment, and her home market was saturated.

The Americans wondered to themselves why the Irish capitalists did not adopt the classic solution to these problems, namely export led growth. Closer examination of the pictures gave the answer. Despite an ample supply of latent surplus value, namely, the profit to be got from exploiting labour — despite this, the great quantity of skilled labouring power, the Irish capitalists could not realise the product. The productive forces, that is, the Irish working class were skilled, able and willing. But the relations of production, the fact that a retarded capitalist class rooted in agriculture was unable to get up enough steam, held back the full development of the productive powers of the Irish economy. As the CIO reports showed, Irish manufacturing was made up of hundreds of small, backward and inefficient factories and plants with out-of-date equipment, poor management and an under-used work force which suspected correctly that it was making the wrong products the wrong way for the wrong people¹. The fact that this shanty town was largely owned by British capital often leads people to believe that British Imperialism, although serious in intent, was efficient in its exploitation of the Southern economy. Had that been the case Irish capitalism would have been healthy and attractive. British capital certainly had the biggest hand in the till. But the till was in a small shop and the shop was going out of business. Most of the time the British and Irish owners stood idly at the doorway looking up and down the street, hoping to catch sight of the Yank who was reputed to be coming to town.

The Yank, arriving into this disintegrating world swiftly followed by Japanese, French and German tourists lost no time in buying up the town. The spree was stupendous. From 1958 to 1973 American capital poured into Ireland.

By 1972 investment by American monopoly capital was double that of British investment. For every dollar the British put on the counter, the Americans put two. The IDA who acted as courier and guide for the wealthy visitor could report that at the end of the first thirteen years the American monopolies had invested £86.3 million as against Britain's £43.1 million. By 1972 the Irish industrial economy had two sectors — an old run down anglo-Irish sector and a new vital manufacturing sector spread across brand new modern industrial estates and dominated by the Americans. In that year the 126 American subsidiaries in the new foreign sector were responsible for over 9% of total manufacturing employment in the Republic. From nowhere American monopoly capital had expanded to become responsible for one in every ten jobs in that vital area. By 1974, out of a total of 13,694 new jobs the Americans accounted for 5,318 or well over a third. It was a performance that left 73 years of desultory British investment wallowing in its wake.

But it was in 'export-led growth' that American capital turned in its most brilliant performance. In 1972 25% of all our manufacturing exports were the work of American firms and of course many products came from the vital growth areas such as chemicals and man-made fibres.

Alone on the Irish left this party grasped the significance of this fundamental change in capitalism in Ireland. Ignoring the ultra-left and nationalist screeching about 'British' Imperialism this party immediately commenced the study of the tactics and theories necessary to handle this new formidable master of the Irish economy. Having played an active role in

early skirmishes with American monopoly capital, such as the great EI lockout at the Shannon industrial estate in 1968, this party was well equipped to dismiss the raddled myth of a serious British capitalism which continued to mesmerise the backward nationalist and socialist groupings summoning them to far off days and battles long over.

Well prepared, this party reacted swiftly to the next strategic American thrust. On March 2, 1974, Standard Oil, New Jersey, controlled by the Rockefellers announced through its front companies in Ireland, Esso and Marathon, that they had discovered one billion cubic feet of methane gas off the coast of Cork. In September 1974 Sinn Fein published a book containing a detailed technical account of the economic implications of the discovery, a lengthy analysis of the political economy of the exploitation of hydro-carbon resources, together with the projections and quantifications to support our plan for the development of our natural resources by state companies. This book, **The Great Irish Oil and Gas Robbery** was highly praised by academics and scientific journalists and ignored by the media. It was also studiously ignored by the ultra-left and the Labour Party, who at the same time borrowed its facts and figures for any radical speeches they might have to make at times of party conferences. This book rescued the question of natural resources from the populist pit into which it otherwise might have fallen. The central demand that the state companies would become the spearhead of natural resource development was first obstructed by ultra-leftists and other radical gadflies who preferred to talk vaguely about the "state" interspersed with visits or telegrams to Col. Ghadaffi. Instead this party named specific state companies such as the ESB, Bord na Mona and Nitrigin Eireann which irritated ultra-leftists who have a neurotic phobia about "bureaucracy" and state companies that seems to be derived from the practical success of similar bodies in the socialist countries. This party persisted and the demand for the expansion of the state sector became the official policy of the Resources Protection Campaign and later of the Irish Congress of Trade Unions. Most recently it received the belated and grudging support of the Labour Party at its 1976 Conference, under pressure, not from its erratic Left but from the mass of the organised working class and trade union movement.

Having correctly analysed the new dominance of American capital in the Irish economy, this party was also able to assess correctly and without emotion the second major phenomenon of its period; the objective effect of the IDA's industrial programme on the Irish working class. It should hardly be necessary at this stage for a party of scientific socialists to have to state at the outset that it is the main enemy of American monopoly capital in Ireland. But because this party has also recognised the enormous progressive tendencies of the phenomenon, the crude primitives who masquerade as socialists in Ireland and who are totally ignorant of even elementary dialectics insist on asking our party "But are you for or against the IDA?" The answer to that question is "Yes," which reply can serve as the first lesson in the dialectics of scientific socialism. But for more serious socialists the following are the essential facts about the IDA and the Irish working class.

In 1958, the Industrial Development Authority was given the task of planning and creating a certain number of manufacturing jobs every year in specific towns and estates throughout the country. The reason they were given this task is because Irish capitalism was losing jobs. Populist attacks on the IDA which do not immediately concede that the IDA's work is to create a job for every job lost by Irish capitalism are dishonest, unscientific and deserve to be exposed for what they are — an attempt to hide the fact that the guilty party is not the IDA but the Irish capitalist class. The IDA's work was to give a blood transfusion to a body even as it bled to death from wounds inflicted by Irish capitalism. This being the true position, it must straight away be acknowledged that the IDA carried out this technical task with unsurpassed ability and competence. This party can only regret the abuse of so much Irish

talent and expertise in the cause of propping up the national bourgeoisie and hopes to apply that very same talent in its Industrial Planning Authority in the construction of an Irish industrial revolution.

Apart from American monopoly capital, the greatest benefactors of the IDA's programme, was the Irish working class.

The IDA in the years 1960-'70 divided the country into nine regions. Instead of the cosmetic exercise of giving each little town its own factory, they decided to develop key cities, such as Cork, Limerick and Waterford, together with what they called the 'ring' towns around them. Their second strategy was to build up towns such as Clonmel and Sligo until they reached city size. The basis of that industrial strategy was American and foreign capital. The results for the Irish working class materialised rapidly.

Back in 1958, the British and Irish capitalists together employed only 168,000 industrial workers. The rural population dominated the political economy of Ireland. But by 1973, after 15 years of investment by American monopoly capital the number of industrial workers had risen to 320,000 of whom 217,000 were manufacturing workers. The total industrial workforce had therefore increased by a massive 77,000 and the manufacturing workforce, the spearhead of the working class had increased by 50,000 in that period. This absolute numerical increase in the central bastion of the Irish working class, its industrial spearhead, was achieved in the IDA's foreign sector, despite the fact that in the same period the old British and Irish sector was throwing thousands out of work every year. In 1974 for example, the new foreign sector created over 10,000 new jobs. But in the same year the IDA gave £30 million to Irish capitalist firms — a regular subsidy to native capitalism which is always ignored by populist groups who seem to think that the IDA only deals with foreign firms. In the same year Foir Teoranta gave £15 million to native capitalist firms in an attempt to prevent them from closing down. But in 1974, a year which saw the Americans alone create 5,318 new jobs, twelve of the native capitalist firms who had got Foir Teo's £15 million closed down throwing 1,285 people out of work.

Ignoring these facts of life the populist groups kept talking about "foreign" firms as if native ones weren't closing down by the day, causing the arrival of foreign capital to fill the vacuum; kept complaining about early failures by the IDA such as Potez, missing the fact that giants such as Snia and Merck, Sharpe and Dome were firmly ensconced; constantly harping on the undoubted fact that a few trees were falling but missing the fact that the wood was getting larger. Inevitably, they also missed the fact that an historic revolution had taken place in the deployment of the class forces in Ireland. Because of the vast expansion of the wood the inhabitants of the wood, the Irish working class grew in numbers.

This change was the most important structural change in the political economy of Ireland since the Great Famine and indeed reversed the distortion in the Irish class structure caused by that calamity. What happened in the period 1958-75 was that international capitalism had created in Ireland what 73 years of native capitalist rule had failed to create — a highly organised and militant industrial working class. This historic event can clearly be grasped by examining the barometer of working class health, the trade union movement.

In 1945 there were only 172,000 workers organised in trade unions in Ireland. By 1970 that figure had more than doubled to a record 398,000. That great central statistic meant that the organised Irish working class had doubled its numbers. Exactly as predicted by Karl Marx, advanced capitalism in Ireland was creating its own gravediggers and swelling their numbers. A second simple lesson in dialectics shows that the IDA had created willy-nilly the very force which alone was organised and fitted to evict foreign burglars and native embezzler alike. The IDA had in 15 years more than doubled the absolute size of the working class and doubled the membership of the trade union movement. Today, there are half a million

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workers in the Irish trade union movement with a great part of its strength based in the factories so thoughtfully provided by American capitalists and the IDA. The credit for this achievement belongs solely to the Industrial Development Authority. A grateful working class will some day acknowledge that achievement even as the Soviet working class acknowledges Peter the Great, if for no other reason than to embarrass the unwitting architects of an Irish industrial revolution — the slothful Irish capitalists.

The failure of populist and so-called left-wing groups to grasp this structural change in the industrial working class, which substituted for fragmented sweatshops a densely concentrated workforce forming a front line against monopoly capital, had serious consequences for the left. Populist propaganda tended to concentrate on drawing attention to what were now in political terms declining areas of the workforce and in doing so distracted attention away from the necessity of giving leadership to the thousands of workers in the IDA factories. This took the form of populist propaganda appearing erratically only after a close down had taken place. The day to day bread and butter trade union life of the healthy IDA factories was virtually ignored.

This failure gave much amusement to the theoreticians of American monopoly, who soon realised that by and large the so-called left in Ireland were a bunch of amateurs. The truth of this is seen in this extract from a confidential report prepared in 1971 by Craig Gardner & Co., the Irish partner of the top American monopoly accountancy firm, Price Waterhouse & Co., for its monopoly masters. On the second page of the report our party was interested to read this contemptuous dismissal of the so-called left and its work in the previous ten years.

"The Republic is singularly free from class antagonism; there is no popular movement to exploit the division between worker and management. Few countries are as united behind the concept of democratic capitalism as is the Republic of Ireland. There is no communist party of any significance...."²

This cold assessment is a true picture of the facts. How can there be "a popular movement to exploit the division between worker and management," when the popular movement was even then more interested in the division between north and south, opposing this party's efforts to prevent the eruption of sterile nationalism and sectarian violence. Our party, having purged these sterile elements from its own ranks, watched them recede into the bosom of the ultra-left and their sectarianism excused on the grounds that they were fighting British Imperialism. How could the division between worker and management be exploited in IDA factories when the so-called left spent its time insinuating that IDA workers were not real workers like those employed in the textile mills, drapery shops and backyard haulage firms of Irish capitalism?

It need hardly be stressed that this great effort of the IDA could not in the long term make up for the structural weakness of capitalism. In spite of the play made of such failures as Potez, the IDA's failure rate was only 6%, possibly the lowest failure rate of any body engaged in that kind of rescue work anywhere in the world. Nevertheless, our party always recognised that the only long term value of the IDA's activity was firstly to make up the losses the native Irish sector were causing in the absolute size of the working class and secondly to strengthen the qualitative strength of that class. Beyond that our party realised the IDA was merely extending the lifespan of capitalism in Ireland. However since that extension was keeping Irishmen and women in industrial employment we do not attack the IDA on the principle of the worse the better.

This policy contrasts strongly with that of those elements who have attempted to save the face and future of Irish capitalism by attacking the IDA on the grounds that it failed to

workers in the Irish trade union movement with a great part of its strength based in the factories so thoughtfully provided by American capitalists and the IDA. The credit for this achievement belongs solely to the Industrial Development Authority. A grateful working class will some day acknowledge that achievement even as the Soviet working class acknowledges Peter the Great, if for no other reason than to embarrass the unwitting architects of an Irish industrial revolution — the slothful Irish capitalists.

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This policy contrasts strongly with that of those elements who have attempted to save the face and future of Irish capitalism by attacking the IDA on the grounds that it failed to

increase the absolute size of the Irish working class. This misses two points. Firstly, that failure was not the failure of the IDA, but of the capitalist class — the IDA merely ameliorated the worst horrors of that failure. Secondly, since the absolute size of the working class did not fall, in spite of job losses in the native sector, it meant that a qualitative change was taking place in the industrial working class. Instead of being made up of one or two workers in a sweatshop here and a couple of filling station attendants somewhere else, or a couple of casual labourers in some builders yard, instead of this patchwork from the non-unionised sweatshops of Irish capitalism, the industrial working class was concentrated in large modern plants, where the size of the workforce and the trade union consciousness to which numbers give rise allowed the growth of the shop steward system, the development of sophisticated trade union activity and so inevitably the strengthening of the overall trade union movement at a national level. If this change is not visible in the trade union movement between 1958 and 1972 to other parties of the left and their populist allies, it is certainly clear to this party and to the trade union movement.

This great transformation in the strength of the Irish working class was hardly more significant than the massive changes that inevitably followed in the class structure of Irish society, lifting above all the great yoke of rural and agrarian reaction from the neck of the Irish body politic. Back in 1958 the number at work in agriculture was two thirds greater than that employed in industry. Progressive politics could not flourish in such a society. Instead go-been politicians grew fat on the politics of partition and left the fighting - and sacrifices to young men whose principled idealism in normal conditions would have greatly served their own class. But in 1973, the number of those employed in industry was one quarter times greater than the numbers of those engaged in agriculture — the most important single change in modern Irish history. This fact was also connected with the failure of the national bourgeoisie to impose a sterile northern adventure on Sinn Féin The Workers' Party in 1969. The rejection by our party of irredentist nationalism was an objective response to the changed class character of Irish society as indeed the change in the name of our party was an objective response to the emergence of the working class as the dominant political class in modern Ireland. Here, it is important to note that we define the term "working class" scientifically in relation to the means of production. This means that today 70 in every 100 of the gainfully employed population are dependent on wages as their sole source of income. This group constitutes the modern Irish working class in objective fact. The task of translating that objective situation into subjective awareness of the fact by this huge class is the central task of our party today.

The decisive shift from a rural society to an urban society in which wage earners were numerically the largest class had profound consequences for Irish social, cultural and political life in the period in question. No longer was a cowed working class prepared to accept meekly the dictate of bishop or politician. Neither was it possible in an era where the bourgeoisie were preparing to throw in their lot with the EEC capitalists to maintain traditions more appropriate to the Middle Ages. A few examples shows the range of liberalisation forced from the bourgeoisie by the twin pressures of an aggressive working class and the necessity of pretending to the European bourgeoisie that Ireland was a normal country. In matters of religion the debates that followed Vatican 2 resulted in the Bishops being frequently told to leave the Irish marriage bed. The censorship of books had also to be relaxed. It would have been embarrassing for a dynamic Irish executive to be forced to admit in Brussels that world famous Irish writers could not be legally read at home. There was a growing awareness and reaction against the subservient position of women in Irish society. The new television service showed a willingness to investigate some of the darker corners of Irish life.

But these changes were peripheral to the new self-awareness and confidence of the organised urban working class. This took two forms, one real and progressive, one illusory

and backward. The real great advance was in the new sophistication and revival of the trade union movement. The education of members, the provision of systematic training for shop stewards and the emergence of a new breed of aggressive and competent full-time officials, all contributed to the creation of a powerful Irish Congress of Trade Unions, which went from a position of oblivion in the 1950s to its present dominant role as a force in the land with which even the most reactionary Governments must reckon.

The illusory development was the mushroom growth of socialist rhetoric in the Labour Party. The sound instinct which led a confident working class to take a fresh interest in the writings of James Connolly was soon corrupted by the twin forces of social democracy and radical chic. The growth of the ultra-leftist and Trotskyist micro-factions which live on the left-wing of social democracy dissipated the energies of serious socialists into sterile personality cults and time-wasting theological discussions about whether Noel Browne could save the socialist soul of Justin Keating. Much of the writing about Connolly either played up a distorted version of his attitude on the "national question", or even more damagingly wrapped him in the wool of the short-lived Christian Marxist dialogues producing such curious oddities as Mr. Owen Dudley Edwards' metaphysical tract **James Connolly: The Mind of an Activist**.³ In more recent times Professor Edwards has joined the Scottish National Party where in the interval of helping that populist group's onslaught on free school lunches for British school children he attempts essays on "Conor Cruise — The Mind of a Liberal," with equally idiosyncratic results. The '70s were to prove as socialist as Dr. O'Brien was to prove a liberal. The tattered remnants of a few Che Guevara posters were all that the Labour Party and its parasites left behind.

This short but intensive thrust by monopoly capital of course caused much more unpleasant symptoms to appear in the Irish capitalist class who had watched begrudgingly while foreigners cleaned up the mess they had created. Like an alcoholic putting in a late appearance at Mass they shined their shoes and bought clean shirts in an effort to pass themselves off as respectable members of the congregation. The Irish Management Institute was the first sign of this insincere attempt at taking the cure. Spruce and mohair-suited junior clerks working for American monopoly were trained to speak a new esoteric language derived from up-dated versions of Dale Carnegie's book **How to Win Friends and Influence People**. A glossy magazine in the shape of **Business & Finance**, which could be carried prominently under the left arm, was provided by Mr. Nicholas Leonard. This process reached its apotheosis in the personages of Mr. Pat Quinn and Mr. Tony O'Reilly. Mr. Quinn was put on display for the benefit of the country and western audience as an example of how a country boy could get in there and stick it with the best. Mr. Tony O'Reilly, a product of Belvedere and the IRFU was polished in America and put on display in more sophisticated urban circles. As objects of art they were much admired but turned out to be fakes. Mr. O'Reilly's meteoric rise and fall along with 350 Gouldings' workers has been detailed in our party's pamphlet — **Tony O'Reilly's Last Game**. The Banks put paid to Mr. Quinn, and ultimately to Mr O'Reilly, as efficiently as they disposed of other entrepreneurs who tried to play in the big league. In historical terms the main function of the IMI Group was to smooth Irish entry into the EEC — an entry mistakenly seen by populists as a turning point whereas in fact it was only the end of a process that had begun with the publication of **Economic Development** in 1958 and acknowledged in the Anglo Irish Free Trade Agreement of 1965. The Irish economy had moved into free trade in a European market responsive in the last analysis to the needs of American monopoly capital.

This brings us to our third and final section, the relationship between Irish capitalism and American monopoly capital in the period. Nothing brings home the dangerous and murderous sickness of Irish capitalism more than the three conflicting symptoms it displayed

in that period in an effort to preserve its class rule in the teeth of a resurgent working class. Firstly, it projected a cosmopolitan IMI image as when, during the pro-Common Market campaign, it pretended to reject Griffith with mealy-mouthed and insincere slogans that what it wanted was not "men who would die for Ireland, but men who would live for Ireland." Secondly, using the Provisionals in 1969, the national bourgeoisie showed that it also wanted men to go on dying for Ireland, provided they, the national bourgeoisie could go on living off Ireland, and that those doing the dying would be the Northern working class. Thirdly, as soon as the first signs of the 1972 recession appeared it turned with half-hearted snarls on the IDA whom it suspected correctly had created the iron giant the bourgeoisie feared, namely the industrial working class. These schizophrenic and conflicting tendencies allowed the national bourgeoisie to vacillate between free trade and protection, using nationalism as the runing fork to strike a responsive chord whenever need arose. This machiavellian and cowardly attempt to have the best of all worlds is perfectly illustrated by a leading article in the **Business & Finance** magazine of March 1972, when the editor wrote:

"I have grave doubts about the value of a company which sets up here with the help of a 40% IDA grant, borrows the rest from an American bank... sells all its output on export markets and pays no taxes on its profits.. beyond keeping a few Irish workers out of borstal, its contribution to the Irish economy is nil."

The sentiments could have come from an article or speech from **An Phoblacht**, the Trotskyite **Worker**, **Hibernia**, the "radical economists" or any similar populist or nationalist lobby. The audacity of a class which had brought in American monopoly capital turning on its creation with a few harmless snaps of its broken teeth might have been amusing were it not for a vicious class hatred revealed in the phrase about "Borstal". The fact, as **Business & Finance** well knew, was that by this time, exactly half the Irish industrial working class were being kept out of borstal. For every two workers in the industrial labour force, one worker's job was dependent on the export market and thus largely on the IDA foreign sector.

But these three sinister tendencies paled beside the great central hypocrisy of Irish capitalism in this period. Behind the vacillation, behind Free Trade and Protection, behind the whizz kiddery and the IMI seminars, behind the cynical and despicable attempt to whip up the sectarian struggle in the North, the Irish bourgeoisie were steadily getting on with their last great historic task — making Ireland safe for American monopoly capital by intensifying to a breathless pace the monopolistic tendencies of Irish capitalism itself.

Back in 1937, we saw the early days of finance capital, the merger of banking and industry through the persons of a small group holding directorships in both. From 1958 on that tendency, spurred on by American penetration, rocked the Irish business world in an endless galaxy of exploding companies, redundancies, closedowns, mergers and conglomerates. In 1976 this party surveyed the battlefield, counted the corpses and published its detailed findings in a study of finance capital, entitled **The Banks**.⁴ It is worth noting that the accuracy of our figures were not disputed by even so committed a capitalist as Ian Morrison, Governor of the Bank of Ireland, who produced a copy of the book at a business luncheon in Trinity College in support of a plea for more understanding of the problems of Irish industry — problems created by his own class in previous eighteen years. The following is a summary of our findings:

Even as this noise and clamour of monopoly was going on this party was trying to pierce the fog of confusion and come to grips with what really was happening in Irish capitalism. First we rejected the crude nationalist delusion that British Imperialism was the dominant economic force in the Southern economy. Indeed even in the North of Ireland both British capital and the Northern bourgeoisie had ceased to be the growth centres (see appendix 2). We further dismissed the populist notion that tends to safely blame any opaque occurrence

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on the "multi-nationals". Instead by detailed study of the facts and figures backed by the day to day insights of our industrial members and supported by the theory of scientific socialism which distinguishes five vital characteristics in modern monopoly capital, we arrived at our central conclusion.

Ireland, we believed was moving into a world capitalist network, mediated by the EEC, and controlled ultimately by American monopoly capital. This meant that in spite of the large shadow cast by British capital over the Irish economy, the shadow was merely that, a chimera. The substance, or more precisely, the dominant tendency of the future would be the presence of American capital. In like fashion "multi-nationals" in the Irish economy were merely American or American based corporations and Banks operating internationally. This therefore was the theory which singled out our party from all parties of the left.

At the beginning of this chapter we outlined the five marks of monopoly capital. In 1975, we tested our theory against Irish reality. If our theory was correct, Irish capitalism should display the following tendencies or features:

1. The concentration of Irish industry in the hands of a small number of efficient firms. This concentration would take place through take-overs, mergers and conglomerates and be visible from an examination of market share of the share of profits. Meanwhile that small group of Irish monopoly firms would simultaneously be penetrated by monopoly capital with American capital as the most dynamic element. At the same time monopoly capital would set up its own "foreign sector" parallel to Irish industry.
2. The concentration of capital in Ireland in the hands of a small number of Banks. This concentration would take place through take-overs and mergers and also be expressed in terms of the share of the market held by the monopoly Banks. Meanwhile as with industry the monopoly Anglo-Irish Banking sector would be penetrated by foreign capital of which American Banking would be the most dynamic expression. At the same time American monopoly capital would set up its own separate Banking sector parallel to the Irish and British banking sector.
3. These tendencies would express themselves as 'finance capital'. A small group of capitalists would hold key directorships in both Industry and Banking. This tiny financial oligarchy would, through the major political parties, hold state power. Meanwhile, this financial oligarchy invites American penetration of its own power base. The political forms of the state ranging from its political culture to its foreign policy would reflect this changing class composition. The traditional marks of a sovereign state would disappear as the state took its place in the Western Alliance of capitalist powers.
4. The vital areas of wealth in the state, its natural resources pass swiftly into the hands of monopoly capital, acting through its front client class, the Irish finance capital oligarchy. The function of Irish finance capital would be to provide domestic political formulae to make this alienation of natural resources as smooth as possible and to ensure that the labouring power required for the exploitation of the natural resource commodities is readily available and causes no difficulty. The crude function of Irish finance capital would therefore be to discipline the Irish trade union movement.
5. Finally, monopoly capital would have to reduce and storm the last bastion of the sovereign Irish state — the state sector. The state companies such as ESB, Bord na Mona, Nitrig-in Eireann Teoranta and the Irish Sugar Co., together with the productive public sector confront both domestic and foreign capital with its greatest potential threat. Because the state companies embody the form and sometimes the content of socialism, even within the capitalist system, their role is dangerously ambivalent in the eye of monopoly capital. These state companies which are used under capitalism to prop up the private sector might be equally used by the working class as the spearhead of socialist construction. For this

reason Irish capitalism is forced to maintain the state sector while at the same time holding it back from releasing its full productive powers.

These five tendencies, we believe, provide a comprehensive picture of capitalism in modern Ireland. It now merely remains to test these five theoretical tendencies by practically testing them in the laboratory of Irish political economy. The following is a brief summary of the results of these tests of the five features of monopoly capital in Ireland.

(a) First, let us examine the concentration of Irish industry. Taking the nine most vital sectors of native Irish manufacturing over the past ten years, we see the massive upheaval recorded in the daily newspapers as individual mergers, liquidations and take-overs. The result has been to leave one or two Irish firms holding a monopoly position with the help of foreign capital. The brewing industry is dominated by the international Guinness group which took over Smithwicks Brewery, Kilkenny; Cherries Waterford and MacArdles Brewery, Dundalk. The distilling industry is dominated by one firm, United Distillers, controlled by a Canadian cartel. The milling industry is divided between the British Rank Corporation and the Irish Odlums Group. The cement industry is a monopoly dominated by Cement Roadstone and Readymix. The housebuilding industry is dominated by the Abbey Group Ltd., and McNerney Properties. The fertiliser industry, until recently dominated by Gouldings and the Tony O'Reilly conglomerate Fitzwilton has now been taken over by the American Corporation Agrico Chemical Ltd. The biscuit industry is a Jacobs monopoly achieved by taking over Bolands Ltd., in 1956. The tobacco industry is controlled by two international companies, the American Gallaghers and the British Players together with one "Irish" company, P.J. Carroll & Son, half of which is owned by the American Rothman Carreras group. The paper and packaging industry is a monopoly controlled by the Jefferson Smurfit Group, a conglomerate whose activities range from cardboard boxes to school-books and in which the American giant Continental Can Inc. holds 22% of the voting rights.

Finally, the categorical proof of monopoly is provided by the Irish Stock Exchange. In 1975, the top eight industrial companies on the Irish Stock Exchange accounted for 64% of all industrial profits. There could be no clearer victory signal for monopoly capital.

In agricultural industry or agri-business as the IFA likes to call it, the pattern of monopoly is even more clear. In populist folklore "agricultural co-ops" are farmers' organisations. Finance capital has exposed that delusion. The co-ops are now capitalist industries and have to obey the general laws of capitalism. The top co-op, An Bord Baine, is a consortium of the top five Cork Marts (IMP), Mitchelstown, Clover Meats, Avonmore, and IAWS, Cork marts was created by taking over the International Meat Co. Dublin, Irish Meat Packers Leixlip, Midleton Meat Plant and the Cork Farmers' Union through Cork Co-operative Marts, which had already taken over the livestock marts in the South East region.⁵

This monopoly blitzkrieg is reflected in their profit monopoly. Last year the top five co-ops accounted for 76% of all agri-business profits. But, the deeper brand of finance capital is shown by the fact that the top six co-ops are deeply in debt to the Banks. In 1975 The **Irish Times** produced a new and significant formula expressed as a "Debt/Equity Ratio", which in simple terms stipulated that an industry should not borrow more than £100 for every £1 put up by the shareholders. The **Irish Times** felt that even this Debt/Equity ratio of 100% was only marginally acceptable. In four of the top six co-ops the Debt/Equity ratio is a staggering 1,000%. Capital and not Paddy-the-Cope run the IFA's showpiece industries.

(b) The monopoly history of banking reached its high point in the early 1970s. The Bank of Ireland took over the Hibernian, National and Royal Banks. Then Allied Irish Banks were formed from a merger of Munster & Leinster and Provincial Banks. In the scramble Daniel O'Connell's National Bank fittingly departed the scene, ending the national bourgeoisie's pretence to any Banking status. This physical take-over was of course irrelevant compared

with the monopoly which it reflected on the Irish money market. By 1976 four Banks, the Bank of Ireland, Allied Irish, the Midland and the National Westminster accounted for 88.03% of all lending on the Irish money market. Next in line were the American Banks such as Chase Manhattan (The Rockefellers Bank), Bank of Nova Scotia and Bank of America, which accounted for 11.44%. Other Irish and EEC Banks accounted for a miserable 0.53% of lending.

Exactly as predicted two British, two Irish and a rapidly growing group of American Banks dominated the Irish money market. But that is only the beginning. Their real role is their finance capital role — the control of industry and agriculture through the personal union of Bank directors who hold directorships in industry as well.

(c) Finance capital, our third characteristic, overwhelmingly controls Irish industry, banking and agriculture. This is shown by one single fact. Between them 32 directors of the Bank of Ireland and Allied Irish Banks hold 260 industrial and commercial directorships. The appendix on Banking shows that ten prominent Bank directors are also directors of the top ten firms on the Irish Stock Exchange. Conversely if we examine the ten top industries we find that their directors are also directors of the top four banks (See Appendix 2). Finally, it should be noted that Banks are capitalist companies. The fact that Cement Roadstone appears at the top of a list of Irish industries should not obscure the fact that the Bank of Ireland and Allied Irish Banks are the top companies, as distinct from industrial companies, on the Irish Stock Exchange. Similarly, co-op mystification should not obscure the fact that Cork Mart have the largest turnover outside the Banks on that same Stock Exchange.

Finance capital has the Banks at its centre. Starting at the Banks' centre and drawing a mental line from Banking out to industry on the left and agriculture on the right, we find the following is the simple picture.

Irish industry is a monopoly. That monopoly in turn is in debt to the Banks. In The **Irish Times** Industrial Index, the top eight companies accounted for 64% of all industrial profits, yet for seven out of the top eight profit earners, the debt/equity ratio averaged 95% instead of the acceptable 50%. As the **Irish Times** remarked "If the ratio is in excess of 50%, the claims of the debt holders and creditors are not so safe." But the twist in the tale is that Irish industrialists are also Bank Directors. Wearing his Bankers' hat a Paddy McGrath, a Tony O'Reilly or a Donal Carroll gives a loan. Receiving the loan he wears his manufacturing hat. But small gombeens get short shrift as Martin Mahony, Pat Quinn and other heroes of gombeen folklore discovered to their cost.

Irish agriculture shows the same pattern. The top five co-ops control two thirds of all business and are up to their necks in debt to the Banks. Little wonder then that Paddy O'Keeffe, editor of the **Farmers' Journal**, member of the RTE Authority and director of Allied Irish Banks should be displeased either at hostile criticism of the Banks on RTE or else at the naive efforts of some of his IFA colleagues to set up a farmer's bank.⁶ The farmers, as O'Keeffe knows owe their money to the top four monopoly Banks. That grip is as real a reflection of class politics as the huge overmanned IFA propaganda unit, maintained by RTE, which expresses itself in the direct link between a specially equipped radio studio at the Farm Centre at Inchicore, linked directly into the output of the State's broadcasting service.

(d) The finance capital grip on natural resources, oil, gas and mines, has been detailed exhaustively in our party's book **The Great Irish Oil and Gas Robbery**. In synopsis, this showed that the surplus value from the Kinsale strike would be carved up as follows: The Banks will get 34.5%, the oil companies (the Rockefellers) 39.3% and the State 26.2%. The Banks, largely Irish and American Banks, will get roughly £50 million without ever going to sea, sinking a drill or doing a day's productive work. To assist in this robbery by the Rockefellers, Irish finance capital has set up an 'oil octopus' based in Ireland. The octopus takes in three

senators — Patrick McGrath, Ted Russell and Alexis Fitzgerald, is linked to O'Reilly's Independent chain of newspapers and the Crosbies' Examiner chain, includes the Bank of Ireland, Allied Irish Bank and Trinity Bank, and finally takes in the directors of the top 25 companies on the Dublin Stock Exchange. From this it can be concluded that an estimated 44% of capital on the Irish Stock Exchange is being gambled on any future discoveries of oil and gas being left in the private sector. In the meantime, Justin Keating has attempted to start a miserable spin-off trade in sponges and brillo pads for the benefit of Irish capitalism. The agent of this revival is Fergus Cahill's former Ocean Services division at the Institute of Industrial Research & Standards. Added to that the privately owned Cork Gas Co. is to be given some of the Kinsale gas for commercial sale to Cork city consumers. This party confidently predicts no decrease in Cork gas prices. From the time of its publication in September 1974 to the present day all predictions made in **The Great Irish Oil and Gas Robbery** have been confirmed. First, the refusal to involve the ESB and the handing of the major grip to the Rockefeller Esso company and British Petroleum. Our other prediction that the Rockefeller and British Petroleum groups would block the setting up of an Irish oil refinery was confirmed in a campaign which Sinn Féin alone fought on the left in the interest of the Irish working class. This campaign saw the full power of community, populist and middle class 'pollution' groups deployed in an attempt to defeat with the help of the media the inarticulate voice of the working people. For our party, it was a lonely and isolated struggle. We promise that it will not be the last and that in that apparent isolation we have the slowly growing support of the great mass of the trade union and working class movement.

In summary, therefore, throughout the period 1958-76, the concentration of production in ever larger enterprises continued at an accelerating rate. Every industrial sector came under the dominance of a handful of companies. For example in the mid 1930s there were over 140 co-operatives in the food processing industry, while today there are no more than 20 and take-overs still continue. Likewise, in the beverages sector, including brewing and distilling there were in 1946 exactly 100 enterprises. Today, only three remain. In textiles, which once numbered hundreds of companies, production is now concentrated in the hands of the six largest companies. The printing and publishing industry is under the monopoly of the American backed Smurfit group. The vital cement and concrete industry is under the control of two companies. This is only to name a few companies and cite a few sectors. Right across Irish industry a superficial glance shows that the process of concentration of monopoly proceeds rapidly in the manner predicted by scientific socialists.

All this concentration is taking place under the stimulus of finance capital as it transformed itself into full blooded monopoly capital. Proof of this development, in 1975 a huge 46.8% of the total capital employed by the top ten companies in the Stock Exchange was owned by the Banks. In five of the top ten companies, the Banks owned a majority of the capital. This overall grip of the Banks meant that as much as 38.4% or over one third of the total capital on the Dublin Stock Exchange was owned by the Banking system. That process too continues by the day.

Along with this advance of finance capital in the private sector, the state itself has fallen even more deeply into the clutches of the international bankers and the giant financiers whose base is in the USA. The result is that the Coalition and Fianna Fail must now get the working class to hold back wages, while at the same time through increased taxation and cuts in the Public Service assure the Banks that their loans are safe. The only final collateral in this deal are Ireland's natural resources and the labouring power of the Irish working class, which is to be forced to produce more surplus value in order to pay off the Bankers.

But alongside this concentration of industry and alongside this domination by American capital, and arising inevitably from it, there grows up a great class of workers who are to

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become the gravediggers of the very system which now exploits them. The Irish working class, organised now in bigger companies, with improved material conditions for class unity and with a new strategic strength in the economy through the trade union movement is much more difficult to divide or suppress than the fragmented and scattered groupings thrown up by Irish capitalism in the 1950s. Therefore, the law of history that dictates that production and free competition becomes unconcentrated and leads to monopoly, is equally matched by the law of history which states that the political and economic strength of the working class increases in direct proportion to the development of monopoly capital. The only obstruction between that working class and state power is therefore the efforts of either capitalism or populism to turn the clock backwards and prevent the advanced development of capitalism and thus the advanced development of the working class in the name of restoring retarded Irish capitalism and consequently an equally retarded Irish working class. But not turning the clock back does not mean a pause in the struggle for surplus value — the wage struggle.

This brief account of the class politics of monopoly capital in Ireland brings the story of modern Irish political economy almost to a close. We have dealt with four of the five distinguishing features of monopoly capital in Ireland. The fifth, the role of the state sector is a description of the fifth column within the ranks of monopoly capital. The state sector is the greatest enemy confronting capitalism in Ireland today. The strategic importance of the state sector was first identified by this party at its Ard Fheis in 1976. The history of the state sector, its enemies, past and present and its central importance for the construction of socialism in Ireland is told in our final section, which closes a chapter in modern Irish history without regret. Beyond monopoly capital the future belongs to the state sector and to the Irish working class.

6-Beyond Monopoly: The State Sector

The struggle to defend, consolidate and expand the state sector is the single most vital task confronting the organised working class at the present time. This statement comprehends the entire political strategy of this party in the monopoly phase of the development of capitalism. The defence of the state sector takes precedence over all other struggles whether they be for natural resources on behalf of consumers or against the IFA's abuse of the EEC machinery. This is because the defence of the state sector subsumes all these campaigns because it is intimately linked to each and every one of them.

This party was the first to identify the strategic importance of the state sector. The Ard Fheis of 1976 saw the slogan "Expand the State Sector" made the substance of its work. In the previous year 1975, we had laid down the theoretical foundations by publishing **The Public Sector and the Profit Makers**. This was followed in action by the assistance our party gave to the Committee for the Development & Expansion of the Public Sector (CDEPS), formed in the Spring of 1976.

In educating the working class movement to the importance of this question we were struck by the singular fact that we encountered more resistance during this campaign than to any single issue agitation hitherto launched by our party. The striking feature of this resistance was that the establishment media, social democrats, populists and anarchists alike, all combined to ignore, obstruct and defeat this campaign. The reasons for this phenomenon deserve a lucid exposition as they lay bare the skeleton of Irish capitalism, social democracy and populism alike.

The story of the state sector goes deep into the roots of Irish political economy. In the earlier chapters, where we traced the decline of Irish capitalism, we deliberately omitted, for the purposes of clarity their only contribution to the development of the Irish working class, namely the Irish Public Sector and in particular, the productive State Companies. This contribution was made grudgingly and bitterly. The state sector was not a child of the Irish capitalist class. It was an adopted son taken into the family to do the heavy domestic chores which the lazy and retarded natural offspring refused to undertake.

Today, the State Sector, lusty and strong, is rejecting his grudging foster parents and asserting that his natural parents are the Irish working class. This state sector, raised up to carry out menial chores, confronts the Irish capitalist class as a potential task master. According to the Census of 1971 the total number of employees in the state was 737,023. Of these no less than 224,070 were employed in the Public Sector. That meant that a third of all workers were not employed by private employers but by the state sector.

The fear of the state sector among Irish capitalists is easily explained when it is realised that in 1974, State companies such as ESB, and Bord na Mona employed 64,000 workers — or within 6,000 of the total employed by all the private companies on the Irish Stock Exchange. State workers were almost as numerically large as those employed by private capital. Or to put the matter in its hardest class terms there were twice as many state workers as there were transitional farmers. The state working class was numerically larger than the number of those engaged in agriculture.

It was against this great block of productive workers that the Coalition Government launched a savage attack on Monday October 13, 1975, when Richie Ryan, Minister for Finance, said that "every five people in the private sector are carrying one public sector employ-

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ee." Ryan's speech was only the high point of a campaign that had commenced during the energy crisis of 1973 and the global recession in capitalism that followed. The attacks, beginning with statements from economists employed by the Bank of Ireland, were soon taken up by the Confederation of Irish Industry, the Federated Union of Employers, the Associated Banks, the Independent chain of newspapers and most viciously at the Fianna Fail Ard Fheis of 1976, by C.J. Haughey and George Colley.¹

The venom of the current campaign, which proceeds unabated differs only in intensity from similar campaigns carried out over the years. Since 1927 attacks by disgruntled small gombeens have been made continually on Bord na Mona workers, postmen, ESB linesmen, corporation dustmen, Local Authority nurses, sanitation workers, child cruelty prevention officers, CIE drivers and the thousands of useful and productive workers who keep the machinery of state running smoothly for the capitalist system.

Almost every Irish citizen is from birth exposed to the folklore of Irish capitalism about the state sector. Our party was the first to identify the twin causes of this hatred which are firstly the cult of the "small man", and secondly the historic memory of the Irish bourgeoisie which was forced to set up state companies because of its own inability to provide vital services. Faced in the ESB with the material substance of its own class failure the Irish bourgeoisie developed the cult of the "small man" with its lounge bar anecdotes about lazy country council workers and insolent dustmen — a cult aided and abetted by populist groups who believe in small capitalism, and ultra-leftist groups who fear the "bureaucracy" of powerful state socialism.

Let us deal with these two phenomena, the cult of the small man and the historic roots of the state sector. First let us look at the history of the Public Sector in Ireland from the beginning of the Southern State.

The year 1927 saw the birth of the state sponsored body. In that year the Dairy Disposal Co. was set up to take over surplus creameries, the Agricultural Credit Corporation to give loans to farmers, the Currency Commission which was an embryo of the Central Bank, and the Medical Registration Council. These state bodies were set up to give cash or services to the capitalist class and so placed that class in the role of dependants. But alongside these 'service' bodies the state also set up in that year a powerful productive corporation, the Electricity Supply Board. The class politics which survive to this day were set from the start by farmers' opposition to the ESB, today, the greatest single industry in the state.

In 1933, two more service bodies, the Industrial Credit Co. and the Hospitals Commission were set up, the one to bail out Irish capitalism, the other to regulate private sector treatment of the sick. Again, alongside them, the state was forced to raise up yet another productive company. Following the failure of the private firm, The Irish Sugar Co. was set up and proved in spite of frequent farmers' blackmail to be one of the great success stories of modern Ireland.² In 1936, yet another state company, Aer Lingus, opened up Ireland to the airways of the world. By 1939, Bord Failte was created for the benefit of the gombeen hoteliers and guest house owners but succeeded in doing this work with a dignity and precision that brought international credit to Ireland. Following the Second World War Coras Iompair Eireann was established because all the public transport systems had gone bankrupt — a fact which never inhibited its later critics from demanding that it should miraculously show a profit. Then in 1946 yet another great success story of the Public Sector, Bord na Mona applied man and machine to the bogs of Ireland, turning a despised natural resource into a commodity raw material for urban domestic heating and for the generation of electricity.

Every one of these bodies had to survive in the hostile world of Irish 'small man' capitalism. Commenting on their critics and the charges made against them. Dr. Lyons strikes to the root of gombeen envy: "In a sense the very criticisms that were levelled against them are a

measure of their success... the lack of private capital, the timidity of private capitalists, the necessity to supply some public services and to rescue others — these were the fundamental reasons for the formation of the state sponsored bodies."³

Faced with the productive power of the ESB, Bord na Mona and the Irish Sugar Co. the private sector reacts with a malice born of guilt. State companies exist because Irish capitalism refused to do their vital work. Today, the gombeen dogs in the manger are confronted with these huge symbols and reminders of their own failure. Dr. Garret Fitzgerald, somewhat indiscreetly rubbed salt in the wound when he offered this explanation of why state companies were set up:

"To maintain in existence a bankrupt or virtually bankrupt undertaking, whose preservation is believed to be in the national interest." Hence the shameless and strident calls from the apostles of free competition for state aid when they run into trouble. But much more hated and feared are the successful productive state companies set up, according to Garret Fitzgerald, "To initiate an economic activity deemed necessary in the national interest but one which for one reason or another private enterprise has failed to inaugurate, or to operate on a sufficiently extensive scale."⁴

While the folklore about the public service is often couched in half humorous terms there is nevertheless a certain grudging acceptance that the state needs some kind of civil service to carry on. No such kid gloves are worn by Irish capitalism when engaged in propaganda against the productive state companies. Every huge project launched by the ESB, every ton of turf cut by Bord na Mona, every acre of beet gathered by the Irish Sugar Co., every Aer Lingus plane that leaves the ground, are seen as actual threats by the state sector. They are met with every weapon in the armoury of the capitalists. **Business & Finance** asks "Next time can we afford to let CIE do the driving?" The **Farmers' Journal**, agreeing with CIE's provision of a flat rate for transporting lime all over the country goes on to speculate that some parts of the trade might be profitable. "If it is profitable to CIE it could be done much cheaper by private hauliers." The IFA beet growers attempt to welch on their beet contracts to the Irish Sugar Co. Private travel agents attempt to blackmail Aer Lingus. CIE is told to sell its hotels to Mr. Tunney. Bord Fáilte develops a tourist trade that provides a fortune for Mr. Joe Malone, who is then placed in charge of Bord Fáilte. The ESB kept out of oil and gas is made the butt of the fly-by-night merchants who masquerade as the Irish electrical trade. **Business & Finance's** cover screams "Fly Me Into the Red — The Blunders in Aer Lingus". The ESB's insistence that houses be wired properly is mocked by private builders.⁵

These are merely the surface symptoms of the private sector's hatred and paranoia. Their real attack, launched by finance capital is much more to the point as these three examples show.

Bord na Mona in 1974 had a surplus of £1,220,000. They had to pay back £1,102,573 to the Banks in interest. This left Bord na Mona workers with just over £100,000 for their huge effort.

CIE's so-called 'loss' is caused by running buses and trains to remote areas where no gombeen would run a bus or train. This work and its free schools transport scheme forced it to borrow over £21 million by 1973. In that year alone the interest paid to finance capital was a staggering £2 million.

The Irish Sugar Co. made £2.95 million in 1974. The Banks were paid £2 million in interest. This debt was originally contracted to give farmers a stable outlet. The farmers' thanks for the workers' efforts was an attempted commodity strike in 1975 and abuse from T.J. Maher, acting for finance capital. Mr. Justin Keating removed the offending General Manager who had drawn attention to Bank charges in the 1975 annual report!

The list of chicanery and double dealing by Irish capitalism in an effort to smash the

state companies is endless. The question in any sane person's mind is why the Public Sector — civil servants, nurses, ambulance drivers, health inspectors, dustmen, ESB, Bord na Mona and all the thousands of workers who make up a third of the state's labour army — do not rise up and shift this class of private sector parasites from their backs.

The answer lies within the Public Sector itself, particularly in the "pure" or administrative public service and the management and boards of state companies. There is a strong tradition of rural capitalism in the administrative areas of the civil service.⁶ At the beginning of the state civil servants were drawn mainly from the farming section of the community where the cult of the small man and contempt for the wage labourer was at its highest. The boy from Bruree often sat at his civil service desk, dreaming not of developing the state sector by exposing the parasite gombeens and tycoons, but more often of emulating their cute schemes for making a few bob at the expense of their fellow man. At its highest point in the Department of Finance and the "pure" civil service, instead of being the leading development agency for state expansion of the economy, many civil servants feel they must prop up a capitalist class that has long ago given up the ghost. In recent years, as this became clear, the Department of Finance inevitably turned to the service of monopoly capital.

Similarly, the boards of state companies provide sinecures for capitalists whose own companies are often in direct competition with the state companies. The behaviour of Liam St. John Devlin in CIE cannot be rationally explained unless it is accepted that there is a clear policy to run that company into the ground.⁷ The appointment of Mr. Joe Malone to Bord Failte is bound to inhibit the development of a badly needed state hotel in Dublin, as Mr. Malone's business interest are in the private sector. Members of the Eastern Health Board refuse to protect this public body from attacks by Richie Ryan, former Minister of Finance. The Department of Social Welfare and the Department of Health allow work that could be done by its own staff to pass into the hands of "voluntary" groups. Justin Keating replaces an outspoken managing director in the Irish Sugar Co. with his own sphinx-like nominee. Tony O'Reilly's helpmate, Vincent Ferguson, is made the State's appointee to the private Dublin Gas Co., shortly before the FitzWilton empire collapse in ruins. The list is endless.

Faced with this corruption civil servants, workers and managers in state companies who all draw wages alike and take no hidden profits or dividends, must unite to clean out the parasites in their own ranks and to remove private enterprise directors from the Boards of the state companies. Industrial democracy for our party means not only workers on the boards but gombeens off the boards.

But that struggle to reform the public service must take account of the small man cult. Looking over the terrain of the Irish political economy, it is incredible that the Irish public can be conned into believing that the following Public Sector workers are parasites: people who teach the young and nurse the sick; build roads and bridges; lay water pipes and put out fires; deliver letters and lay telephone cables; inspect factories to implement safety regulations; build factories and houses; — how this class could be described as parasites while book-makers, publicans, horse breeders, advertising executives and hire purchase racketeers go without a word of reprimand would be a mystery if it wasn't for the fact that the solution to the mystery faces us daily in the cult of the small man.

This cult, as Eamon Smullen has detailed is strongly rooted in the early populist days of Fianna Fail.⁸ In the thirties it emerged from the corrupt nationalism of Griffith which was developed by Eamon de Valera. Today it is taken up by such diverse groups as the Provisionals and the most reactionary wing of Fine Gael. The Eire Nua philosophy of the Provisionals with its policy of fragmenting an already divided state is matched by the philosophy of 'localism', developed by the former Government Chief Whip, Mr. John M. Kelly. These bed-fellows promoting the line that 'small is beautiful' and that central state Government is bad were

strongly supported at the 1976 Fianna Fail Ard Fheis where panegyrics to the small businessman were warmly applauded by C.J. Haughey and George Colley. Significantly, even as the Provisionals were developing the "small man" policy by setting up co-operatives and building firms in Belfast — which weakened the demand for proper system build housing — Mr. Kelly of Fine Gael was carrying on a lengthy correspondence about self-help and localism.

These theories of localism, regionalism and 'small manism' are the contemporary expression of the old corporate state idea that was strongly supported by the Blueshirts. Its intellectual underpinnings derives from the perversion of papal encyclicals and the distortion known as the "principle of subsidiary." This so-called 'principle', produced to head off socialism, in effect says that the state should interfere as little as possible with private capitalism. This boils down to accepting that 'bureaucrats' should stay out of the way.

In practical terms, we are expected to believe that capitalism can provide vital necessities such as clean water and fire brigades and when it does not, we are expected to accept that there is something almost unnatural about the state stepping in to do so. Even nowadays, in spite of the trendy clerics who realise that poverty can only be dealt with by the state, we see the same sabotage of the state's power in efforts to put state money at the disposal of voluntary bodies, instead of the State doing the work itself. Driven from their hardline anti-state position the Churches have moved, like capitalism, towards the dominant social democratic concept of "state equity participation". This means that when capitalism fails to create jobs or cure poverty, the state should not tackle these matters directly but hand over money to do so — either to capitalists or to the Church-run 'voluntary' bodies.

State sector workers should ask all these parasites the following straight questions:

How many Irish employers can show a profit on lighting streets, collecting rubbish, providing parks and playgrounds, planting trees, running a library service and putting out fires?

How many voluntary religious orders could treat the sick, pay for the hospitals they nominally run, assist the disabled and provide the skilled care and service of the Health Boards and the Department of Social Welfare?

The answer is clear. Left to the private employers, or private charity, we would live in dirt, ignorance and disease. The fact that Government Departments, Local Authorities and other so-called 'bureaucratic' bodies are all that stand between the mass of the population and the ravages of capitalism has sank deeply into the historic memory of the Irish working class. Only for bureaucrats water would be dirty and expensive to buy. In private hands the rich would drink and the poor would die of thirst. Only for bureaucrats the landlords of tenements would go on allowing rats to bite children. Health Inspectors, child welfare officers and other bureaucrats are all that protects the children of the workers. Without 'bureaucracy' we would return to barbarism and the bleak charity of the Middle Ages. These are the facts of life.

Against this background, we can better understand the onslaught on the Public Sector which coincided with the crisis of capitalism in 1973. That crisis exposed the fragile structure of the IDA's foreign sector which went into a period of stagnation. But, the foreign sector at least merely stagnated while the domestic Irish sector went into total disintegration. Fifty years of corruption and greed revealed itself in the long litany of redundancies, closedowns and desperate appeals for state aid. The causes of the present crisis were as follows:

Between 1970 and the end of 1973, under the stimulus of monopoly there had been a rapid accumulation of profits in the Private sector. The state's proportion of the GNP was steady at about 30%. The private sector, and especially the rancher beef group, were having a bonanza and making up the rest of GNP. But the fragile basis of the Irish economy, resting on a backward native sector and an export dependent foreign sector, made the economy enormously vulnerable to any global recession.

The oil crisis of 1972 made an excessively large impact on the Irish private sector. The results were a fall in the rate of profit in the private sector and a temporary freeze in the amount of American capital being invested in the Irish economy. Shocked by the glare of the international headlines the private sector ran like a frightened rabbit straight along the beam screaming for state help. The rabbit could no longer make up the 70% of state GNP. It demanded capital.

But the capital could not come from within the economy because as profits fell, the employers threw men out of work. In turn purchasing power dropped. That meant Government revenue from VAT and PAYE dropped as well. The capital needed to prop up the private sector could not be found at home. The Government turned to the only place where capital could be found, namely to the Bankers and to the foreign and American Banks at that.

Between 1973 and 1975 Government borrowing as a percentage of the GNP went up by 400%. The Irish Banks helped to raise the money abroad. The Banks, therefore moved even more rapidly into the centre of the economy. First, they had siezed control of industry and agriculture. Then they had helped in the robbery of natural resources. Now, the state itself was deeply in their debt. For the rescue they demanded a heavy political price from the Coalition. The two Coalition partners tried to pay it in two different ways.

The orders given to the Coalition by the finance capital class — the McGraths, the Tony O'Reillys, the Basil Gouldings, the Fitzgeralds, Jefferson Smurfits, Carrolls and all the others were concise and simple.

First, the private sector workers were to be robbed in order to get domestic capital accumulation going again. This was translated into the ruthless pay pause announced just before Christmas 1975 with that seasonal instinct which has always marked the employer class. The rosary of Irish firms refusing to honour the National Wage Agreement grew longer and longer as the native capitalist class attempted to drive up profits by holding back wages. The Irish trade union movement is still trying to argue and struggle its way out of that pause.

Second, and even more significantly, the finance capitalists ordered a specific attack on the Public Sector. Significantly the first demand for cutbacks came from a Bank of Ireland economist. This was followed by Ryan's speech of October 13th 1975 denouncing the Public Sector as parasites. In particular the state companies, even those who could pay up were to be held back to allow the private sector to catch its breath.

This then was the overall strategy. The only new twist was the particular venom of the assault on the Public Sector. Health, education even free school transport were all cut back or threatened by the Coalition. However, the Coalition is made up of two parties and at this point, in 1976, the Labour Party was forced to pretend that it had a different policy to that of Fine Gael, while at the same time accepting the substance of the attack on the working class.

The Labour Party Conference of November 1976 saw social democracy pretending to accept the policy of Sinn Fein, the Workers' Party for a massive expansion of the Public Sector. This pretence was revealed as a sham by the appearance of the most advanced weapon in the modern armoury of social democracy, namely "state equity participation."

The concept of state equity participation is the most serious threat to the Irish working class at this stage of its development. As an idea it was first floated by the ubiquitous **Business & Finance** in March 1972 when William Ambrose was trying to get a cut for Irish capitalism out of the efficient American monopoly sector.

"Foreign conformity to the national ideal (sic) could be achieved through Government Equity Participation in the companies." This basically was the technique used by Justin Keating, when he took out state equity participation in the companies robbing Irish lead and zinc at Navan.

State equity participation means that the Irish state takes out shares in a monopoly firm that is robbing Irish natural resources or labouring power. The concept was fully articulated by Brendan Halligan in his 1976 so-called Plan. This concept appeared in its final worked-out form at the Labour Party Conference where the key demand was for an Industrial Development Corporation as a major development body. This corporation, working on the state equity theory, would take out shares in private enterprise firms, foreign or Irish. As such, state equity participation expresses the highest development of social democracy at the present time in Ireland and is yet another form of the long pointless quest for a *modus vivendi* between capitalism and socialism.

As against this Sinn Féin The Workers' Party has posed the demand for an Industrial Planning Authority, not to take out shares in the private sector, but to plan the economy on the basis of expanded state companies.⁹ The Industrial Planning Authority will apply the brain and skill of the ESB, Bord na Mona, and the Irish Sugar Co. together with AnCO, the IIRS Foras Taluntais, to the natural resources of Ireland — land, forest, oil, gas, minerals and bogs. At the same time, it will ensure that the remnants of the productive private sector such as Cement Roadstone and Smurfits reach certain targets.

The Plan that follows therefore is for the application of state power to Irish natural resources and the opening of a new era in the political economy of Ireland.

PART TWO

PLANNING THE INDUSTRIAL REVOLUTION



7·The Workforce

In 1971 the population of Southern Ireland was 2,980,000. By 1986 the new population will be 3,780,000. That means our population will have grown by 800,000 people. By 1986 the population of the 26 County State will be nearly four million people.

This means a crisis for the present ruling parties. To feed, clothe and shelter an extra 800,000 men, women and children will require a workforce of some 500,000 productive workers, added to the existing workforce which stands at just over a million workers.

So between now and 1986, on average, some 44,000 new jobs will have to be created each year. When we realise that the best the Irish private sector ever performed was in 1972-3 by creating 7,000 industrial jobs — with the help of American investment and the I.D.A. — when we compare that 7,000 with the 44,000 needed, we are beginning to understand the size of the task facing us.

These figures are not dreamed up by us out of the blue. They are the figures of Dr. Brendan Walsh, of the E.S.R.I. Ireland's leading demographic expert.

The Coalition and Fianna Fail have accepted these figures as true and hid them like skeletons in a cupboard. They are afraid of the first, normal population structure in Ireland since the famine! The Irish people on the other hand are not afraid of the future. The massive population growth which took place in the past ten years was nothing less than a vote of confidence by the Irish people in their future. During the past ten years the population grew three times faster than at any time in this century. This happened because the Irish people refused to emigrate and in the past five years banished the curse of emigration that had hung over our society since the Famine. And because emigration always took the highest toll of the most young and active, this was a particular vote of confidence by our young people.

According to the figures of Dr. Brendan Walsh in the ESRI some 115,000 boys and girls still at school will be stepping forth into Irish society in the next decade. What fills the heart of any Socialist with joy — a strong and youthful population is of course a matter of terror to the controllers of our society. For them, this vast mass of productive humanity is not stepping forward to take part in the construction of society. It is in their words, coming onto the labour market — a labour market that will be further swollen by the 10,000 farmers driven from the land, a market in which their old leech-like remedy of bleeding off by emigration will bring no relief, because this crisis of capitalism is global and this generation will not go quietly to its doom.

Little wonder then, that the statistics which bring hope and the certainty of liberation to socialists should be the object of almost superstitious fear by the Coalition Government. Little wonder that the first typical act of the Cosgrave Government in this crisis should be a refusal to carry out the Census of 1976. The fear of numbers long a mark of primitive tribes has gripped the Coalition. To count the youth of tomorrow means to count their enemies. To count the youth of tomorrow is to count the number of jobs that must be provided. To count the number of jobs is to produce before their terrified gaze, a set of numbers so great in their overwhelming demand for the utmost release of productive forces that the capitalist system could never meet. The Census of 1976, the numbering of our youth was not carried out because to do so would be to number the days of capitalism in Ireland.

To help our people to read the future and above all to evaluate the labour needs of our society we offer the following critique of Dr. Brendan Walsh's projections.

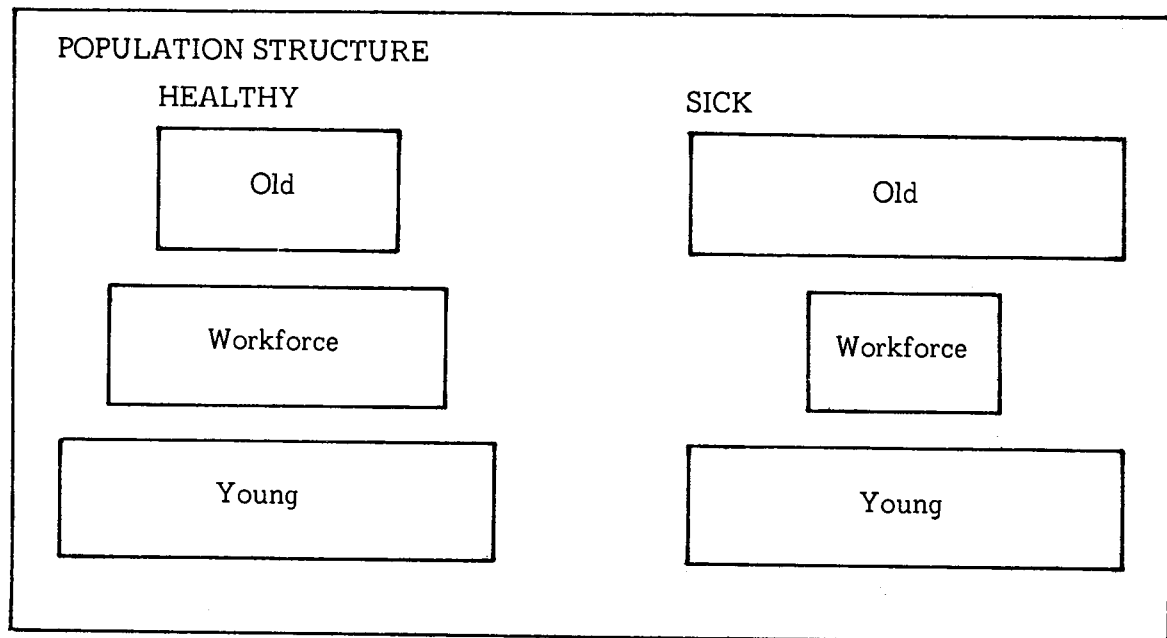
Brendan Walsh, in his important study has projected that our population potentially can grow from 2,980,000 in 1971 to 3,780,000 by 1986. This is based on the assumption that our marriage rate will continue to improve and our birth rate will not diminish (due to the younger average age of married couples) in the 1970's and '80's and that emigration will not be forced again onto our people as it has been in the 1950s.

While the spectre of emigration shall continue to haunt the Irish people either under a Coalition or Fianna Fail regime we can say that if a full employment plan is implemented and nobody has to emigrate our population will be in the region of 3,780,000 by 1986. Because full employment is the objective of Sinn Fein's Economic Plan, we are basing our targets on the assumption that our population will grow to this level.

The potential population growth that lies ahead of us during the next ten years is about three times greater than the highest previous growth rate in this century (and that has been during the past ten years). The fundamental reason for this is that the Irish people, for the first time since the famine, have a confidence in the potential society that can be created in Ireland.

As a result, emigration, the greatest curse we have known in Ireland has, for the first time since 1845, been banished during the past five years. We are determined that it should never appear again, and, it is with this determination that we present this first outline plan for full employment in the 1980s.

Emigration in Ireland has always taken its toll among the youngest and most active age group in our labour force. It is as a result of this we have in the past always had an abnormal population age structure. A healthy and vibrant society has an age structure shaped like a pyramid (see diagram below).



Since the 1950s Ireland's population structure has steadily been changing from an unhealthy position, where a large number of its workforce emigrated into the normal position in the graph. By 1986 if our population develops as it potentially can we will at long last have a normal age structure. In fact, because our active age groups have a better potential for growth than any other of the Common Market States we have a great possibility of possessing in the 1980s, one of the youngest and most active populations in Europe.

Sinn Féin The Workers' Party regard this historic development in our population history — a development which is now offering and will continue to offer in the years to come a tremendous creative reserve of human labour power — representing a great opportunity to build a new society that would fulfil many of the dreams of past generations of Irish workers. This completely contrasts with the capitalist view of human labour power which is to regard it as a commodity and a cheap source of profit.

Capitalism, by its very nature requires a continuing cheap supply of labour and thus will always maintain a pool of unemployed workers just so as to keep the price of labour power (wages) within profitable limits. It thus welcomes a growing supply of young workers. But, if it cannot absorb a certain percentage of these young workers and the unemployment pool begins to grow too rapidly, it runs the risk of falling into crisis as a system, since the demands on resources made by a rapidly growing pool of unemployed people will cut into profits more and more.

Irish capitalism, because it is so weak and inefficient cannot absorb the young growing workforce of Ireland. Because of the worldwide crisis in capitalist countries the traditional safety valve of emigration no longer exists. Thus, the great potential offered by our growing young labour force becomes for the capitalists and their political mouthpieces a "jobs crisis" rather than a great hope for the future. As a result, the only hope for Irish capitalism is emigration.

The other (longer term) possibility for them is to cut down the birth rate by pushing contraception, (since they cannot acceptably come out in favour of a reduction in the marriage rate!). Thus we see the prominent "Labour" minister Cruise O'Brien and Fine Gael's Garret Fitzgerald making strident calls for contraception. Whatever hope they may have of reintroducing a normal structure of society to Ireland in the 1990s they have no chance of having their way in the 1980s. This is because the future young workers of the 1970s and '80's are already born!

Walsh, in his population projections has presented figures for the growth in the population aged 15 and over to 1986. His figures are given below:

	1971	1976	1980	1986
Population + (in millions)	2.047	2.187	2.342	2.494

Having estimated the population which, in theory can work, the next step is to estimate the potential "labour force" i.e. those potentially available to enter into employment. There are four main groups in the 15+ population who cannot take jobs:

(1) Some mothers caring for children; (2) students and trainees; (3) the sick; (4) the very old. Sinn Féin The Workers' Party believes that the handicapped who are not ill should be rehabilitated, trained and employed so that each can contribute to the best of his or her ability.

In practice, Walsh, in arriving at figures for his labour force used "Labour Force Participation Rates" than have been the case in the past, and which are now accepted by the "planners" of our economy. This is due to the fact that behind the observed participation in the labour force we believe that a widespread degree of hidden unemployment and its attendant frustrations exists. This particularly applied to "housewives" and older people in their

60s and older. Thus, in examining Walsh's Participation Rates and consequent "labour force" figures it must be remembered that they are substantial under-estimates of what the real labour force is.

The outline plan targets which we are presenting aim to absorb the total projected labour force estimated by Walsh for 1986. We would envisage that employment creation would in fact be greater since our policy is to bring working wives and older people into productive employment geared to their capabilities. Our plan, however, does contain a certain degree of flexibility to attain these objectives since we are not setting as an objective an unemployment rate of 4% — which is the "Full Employment" target used by Walsh, and which is of course a capitalist "Full Employment" concept. With a target of 0% a certain number of those who would otherwise be unemployed will be provided with jobs, and in the period after 1986 with the continuance of Economic Growth at a full employment level the participation rate will begin to rise to its natural level.

Given the historic experience then, Walsh, has, leaving aside the family farming group (which apparently will continue its decline into the 80's at an accelerated rate due among other reasons to the low level of productivity and backwardness of Irish Agriculture) made projections for the potential "Non Family Farm Labour Force" (this is the total labour force excluding the agricultural petit bourgeoisie but, including agricultural employees, and forestry and fisheries workers). They are presented below:

LABOUR FORCE — (excluding farming)	1971 (Census)	1976	1986
	880.0	990.9	1,204.4

To arrive at the total labour force it is necessary to make an estimate of projected numbers in Family Farming. Walsh's projections are given below:

FARM POPUL. NOs.	1971 (Census)	1976	1986	Decline
Nos.	234.2	196.3	137.0	— 59,300
As % of Labour Force	21.0	16.5	10.2	

On the basis of these projections Walsh has forecasted an annual drop of 5,930 in family farm numbers. These projections however envisage a continuation of present policies towards the grossly inefficient farming sector bedevilled by a rigid structure of land tenure. Sinn Fein advocates modern industrial agriculture treating land as a natural resource like oil and land as a resource belongs to all the people, it is not some private crock of gold surrounded by semi mystical concepts drawn from the dark ages of Ireland's past.

On the basis of our outline plan for "land as a natural resource" a projected annual decrease of 10,000 per year in family farming would ensure. The effect of this adjustment is to raise the projected figure for the non family farm labour force (since unemployment must expand to accomodate the accelerated drift from family farming), and reduce the family farm labour force.

These results are summarised as follows:

	1971 (Census)	1976	1986
Non Family Farm Labour Force	880.0	990.9	1,245.1
Family Farm Labour Force (FFLP)	234.2	196.3	96.3
FFLP as % of Total Labour Force.	21.0	16.5	7.2

Total Labour Force	1114.2	1187.2	1,341.4
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Given the projected growth in the non-Family Farm Labour force shown in the table above, we can arrive at a target job-creation figure to achieve full employment in 1986. The target for job expansion is derived from the estimated level of employment in 1976 (detailed in the next chapter). In 1976, the estimated number at work was 1,029,000. Therefore, to provide full employment for the 1986 labour force of 1,341,000 an extra 312,400 new jobs must be created. And to provide secure employment for the 100,000 workers leaving the land this total must be increased proportionately. So, in sum, a total of 412,400 jobs must be found.

To obtain full employment in 1986 we must deploy our new manpower reserve of 436,100 workers. As has already been pointed out, to avoid emigration and to provide a creative outlet for our youth we must in all seriousness address ourselves without hesitation to the great opportunity for construction before us. On the basis of Walsh's figures the future labour force of 1986 will be younger than that of 1976 (75% of the '86 labour force will be under 44 years as against 70% today).

The manpower objective of our outline plan, then, is to employ a further 412,400 additional workers (to take a round number). As has been made clear, this target will by no means exhaust Ireland's man and woman power reserves — due to the reserves of workers now condemned to retirement, housewifery, and employment abroad. It is, if anything, an underestimate, not an overestimate.

And, like all our other resources examined, is consistently under-estimated and played down by the capitalists and their mouthpieces.

The running down of our resources of man and womanpower is however, by far the more serious since it is our greatest resource, in fact creative human energy both of brain and hand is the fundamental resource since all natural resources are but useless objects without the application of human labour which is the creator of all natural resources.

8-The Economic Plan 1977-86

In line with the forecast potential increase in the labour force the total at work will grow in the period 1977-86 from 1,029,000 to 1,341,400 — an increase of 312,400. In the period family farming numbers will decrease by 100,000, or by a rate equivalent to the outflow that occurred in the 1966-71 period. This means that the Non Family Farming workforce will grow by 412,400; i.e. we must create 41,200 new jobs every year outside family farming.

Why does this figure differ from the often quoted one of 30,000 jobs needed every year. There are three principle reasons:

1. An accelerated outflow from family farming will occur because of better opportunities off the farm due to the higher industrial and overall economic growth rates projected in our plan.
2. We envisage a zero rate of unemployment, in contrast to the 4% figure defined by Brendan Walsh as "Full Employment". This figure which has been presented to Irish Workers as representing "Full Employment" would be regarded in some capitalist countries, such as Germany or Scandinavia as a serious crisis level but in Ireland is a target for which we are told to strive. This Party asserts, on the contrary, that "full employment" is what it says it is, 0% unemployment — a situation, indeed, of virtual manpower shortage. Our Party does not accept the capitalist notion of an unemployment pool, since the function of such a pool is to keep down wages and curb the power of the trade union movement. Of course, such an arrangement has no place in a socialist plan for economic progress.
3. The zero unemployment rate will, to a certain extent, bring back emigrants and increase the participation rate — especially of married women.

In this book we set out to show, by means of a detailed central plan coordinating the development of our extensive natural and human resources, how employment can grow in the different sectors of our economy to achieve full employment. It is a realistic plan in that certain of the long term potential of our economy, e.g. a petrochemicals industry or a wood products industry are not included in the scope of our plan since a period longer than ten years will be required to achieve these potentials. However, our full employment plan does for example envisage employment creation in the energy sector, and, on a massive scale, in our afforestation programme.

The table below gives the numbers employed in each of our major industries in 1976/77, and alongside it the employment creation that we envisage will occur if the strategy set out in our full employment plan is followed. This employment creation, as can be seen involves an increase of 312,400 in the total at work and the creation of 412,400 new jobs outside family farming.

THE ADVANCE TO FULL EMPLOYMENT 1977-86

SECTOR	1976-7	Employment (000s) New Job Creation	1986
1. Family Farming	213.0	— 100,000	113.0
2. Agricultural Employees	27.0	+ 13,000	40.0
3. Food & Drink Processing	53.3	+ 23,200	76.5
of which			
Bacon Factories	4.5	+ 1,500	6.0

table cont.	1976-77	New Job Creation	1986
Meat Processing	4.5	+ 3,000	7.5
Dairy Products	9.0	+ 3,000	12.0
Preserves & Vegetables	3.5	+ 3,800	7.3
Grain Products	13.5	+ 4,400	17.9
Sugar & Sugar Products	6.5	+ 2,200	8.7
Mix Food (Fish & Marg.)	2.0	+ 3,100	5.1
Drink, Beverages & Tobacco	9.8	+ 2,200	12.0
4. Forestry & Forest Industries of which:	29.3	+ 22,200	51.5
Forestry	4.0	+ 15,000	19.0
Wood & Cork	4.0	+ 2,500	6.5
Furniture etc.	4.7	+ 1,000	5.7
Paper & paper Products	5.8	+ 1,300	7.1
Printing & Publishing	10.8	+ 2,400	13.2
5. Fisheries	5.0	+ 2,000	7.0
6. Energy	19.0	+ 16,000	35.0
Of which: Turf & Coal	4.5	+ 10,500	15.0
Electricity	13.0	+ 5,500	20.0
Oil & Gas	1.5		
7. Construction & Construction Materials of which:	78.8	+ 53,400	132.2
Quarrying	3.8	+ 2,200	6.0
Cement & Structural Clay	6.5	+ 4,700	11.2
Construction:	68.5	+ 46,500	115.0
8. Metal & Minerals Mining	1.5	+ 2,500	4.0
9. Textiles & Leather Production (Basic)	13.9	+ 8,100	22.0
Textiles:			
10. Textiles & Leather Manufactures of which:	26.4	+ 3,700	30.1
Clothing etc.	21.8	+ 500	22.3
Footwear etc.	4.6	+ 3,200	7.8
11. Chemicals	9.6	+ 10,800	20.4
of which: Fertilisers	2.3	+ 3,300	5.6
Oil, Paints, etc.,	1.5	+ 2,100	3.6
Chemical & Drugs	5.3	+ 5,300	10.6
Soap, Detergents,	0.5	+ 100	0.6
12. Metals & Engineering	42.6	+ 46,800	89.4
of which: Metal & Trades	15.0	+ 18,000	33.0
Non Electric Machinery	4.3	+ 12,800	17.1
Electric Machinery etc.	10.1	+ 10,000	20.1
Ship & Boatbuilding	2.1	+ 3,000	5.1
Railroad Machinery	1.9	+ 500	2.4
Mech. Propelled Vehicle	7.5	+ 500	8.0
Other vehicles	1.7	+ 2,000	3.7
13. Glass etc. & other Industry	22.6	+ 19,100	41.7
of which: Glass, Pottery,	5.6	+ 3,300	8.9
Other industry (inc. plastics)	17.0	+ 15,800	32.8

Table cont.	1976-7	New Job creation	1986
14. Commerce (incl. Finance)	190.0	+ 49,500	239.5
15. Transport & Communications	65.0	+ 15,000	80.0
16. Education	47.8	+ 29,500	77.3
17. Health	62.2	+ 25,100	87.2
18. Research Development & Design	7.0	+ 18,000	25.0
19. Personal Services	55.0	+ 24,500	79.5
20. Public Administration	60.0	+ 30,000	90.0
TOTALS	1,029.0	+ 312,400	1,341.4

In general, as the table shows, the emphasis of our job creation programme stretches from the development of natural resources such as forestry right across the vigorous expansion of employment in highly skilled areas such as the engineering industry.

The engine for the attainment of our job targets will be the State Companies in the main. This is because the workers of Ireland cannot rely on private enterprise to do it. Indeed we can say that private enterprise would not create the jobs even if it could. Thus, when we come to examining the specific industrial strategies that we propose it will be seen that the bulk of job creation will be in the State Companies. Thus in our plan, of the 412,400 new jobs to be created, 330,000 will be in the State Sector, and approximately 82,000 will be in the Private Enterprise Sector.

A further feature of our strategy is the reliance on the expansion of the existing state sector e.g. E.S.B., C.I.E., Bord na Mona, Bord Iascaigh Mhara, Department of Lands. We are not like the Labour Party advocating the establishment of a host of "new" state bodies to do the job. We do, however, as we outline elsewhere, propose the creation of a new Industrial Planning Authority which will incorporate the functions of Department of Finance, Central Bank, I.D.A., Research Institute etc. The state sector companies and departments will, we propose, become executive arms of the I.P.A. whose task will be to achieve and plan the objectives of the Full Employment Plan.

Another feature of our employment strategy is the emphasis on the creation of productive jobs, i.e. — jobs which produce a commodity — e.g. buildings, manufactured products, forests, transport, and services. The relative significance of job creation in areas which, while necessary to the functioning of a modern industrial economy do not produce commodities is a further feature of our plan. Thus, job creation is not pronounced in areas such as commerce, finance and the security forces, since they do not add anything to the G.N.P. In summary our target for the creation of 412,000 additional secure jobs involves the creation of:

Commodity Producing Jobs ("Productive")	332,900
Non Commodity Producing Jobs ("Unproductive")	79,500
Total:	412,400

The Cost of Full Employment:

To derive a measure of the investment need for the creation of 412,000 new jobs we use the total investment cost-per-job, in projects approved by the IDA, to derive an estimate of the cost of creating 332,900 commodity producing jobs. It may be argued that some of the non-manufacturing productive jobs that we envisage would cost less than I.D.A. type industries, e.g. forestry, construction. However, we see the creation of these jobs as being the creation of secure highly productive long term jobs. They bear no comparison with Fianna Fail type public works employment, which, due to the low investment cost per job, of necessity, are insecure and can last no longer than one to two years.

In 1975, accordingly to the I.D.A.'s Annual Report the Fixed Asset Investment per job approved for grants was £13.062. With investment goods estimated by the Central Bank to increase in price by 16.6% in 1976, this represents a cost of £14.585 per job in 1976 prices, i.e. an investment cost of £4,855m. If we assume an investment cost for non productive job of £8,000 we arrive at a figure of £5,491 million as being the cost of creating 412,000 non family farming jobs in the period 1977-86. This represents an average investment need for a new job of £13.300, in 1976 prices.

This, however does not take into account the fact that to improve the productivity of our existing industry at a faster rate in the coming ten years, particularly heavy investments will be required in primary heavy industry such as mining — steel metallurgy, oil and gas.

At present the total national investment expenditure is running at £950m per year —on a net basis this investment level is holding total employment about constant, with whatever gross investment which is occurring being counteracted by closures and disposals of assets. We thus take the current investment level as being that which is required to ensure the maintenance of the 1,029,000 jobs now in existence.

To obtain national aid self sufficiency by 1986 an investment commitment of £1000m will be required (see "The National Energy Plan,") and to increase the rate of productivity improvement, particularly in agriculture, an investment of approximately £5,935m extra will be required.

Our calculations thus indicate an additional investment requirement of about £11,400,000,000. The maintenance of our existing level of investment will require a commitment of £9,500billion to give a total investment of £20,935m in the ten year period. The development of this investment will be the task of the Industrial Planning Authority representing the interests of the working class.

The national task then, to create full employment, will be to invest an additional £1.140m per year on average to build the factories, develop our ore and mines, create new forests, establish new industries. The organisation of the economy to achieve an investment level approximately 120% higher than the present level is therefore essential if we are to get more up the road towards full employment in the next five years.

In our short term programme for launching the Industrial Revolution (see part 3) we will be giving priority to the immediate creation of jobs to avert the danger of emigration in the latter part of the 1970's. For this reason, because the huge investments in oil production necessary to achieve oil self-sufficiency will not occur until the early 1980's (Since the oil has not yet been discovered) and we would set a immediate extra investment target of £650 million.

The Aims of the 10 Year Economic Plan:

Simply put, our objective is to transform 1,029,000 mainly insecure jobs in 1976 into 1,341,000 secure jobs in 1986. We have in this book set out two strategies to obtain this objective. (a) A detailed long-term plan for industrial revolution. (b) A short term programme to initiate the industrial revolution. The specific sectoral policies we would pursue are outlined below. The long term economic strategy which provides the all important framework within which each industry will be developed and planned must provide the basis for the advance to full employment.

To provide secure jobs, the products produced by Irish workers must be competitive. Since we reject the proposition that Irish Industry can be "developed" behind protective tariffs barriers, these products must be competitive both on export markets as well as on the domestic market with overseas produced goods. For this, the only solution, if our workers are to have increasing real wages, is for a rapid increase in productivity. This will require

investment and large scale rationalisation of production.

To achieve full employment at the same time as a rapid increase in productivity (output of the average worker) a rapid increase in output must occur. Since we must contemplate an unprecedented growth in the Irish workforce a very rapid increase in investment must also occur. So the final part of our equation in consumption — how fast must it grow if we are to achieve the desired aims?

These questions can be answered by examining the component parts of the nation's annual output.

The Table below reproduces the Central Bank's estimate of the G.N.P. and its component parts in 1976.

Expenditure on Gross National Product: 1975 and 1976

		Percentage Change in				
		1975				1976
		£m	Value	Volume	Price	£m
C	Personal Consumer Expenditure	2,392	21.5	3	18.0	2,907
G	Public Net Current Expenditure	723	19.2	1	18.0	862
I	Gross Domestic Fixed Capital Formation	809	18.9	2	16.6	962
S	Value of Physical Changes in Stocks					
	Agriculture	— 56				3
	Intervention	26				10
	Other	— 148				21
GDE	Gross Domestic Expenditure	3,746	27.1	8.0	17.8	4,762
X	Exports of Goods and Services.	1,614	25.9	5.1	19.7	2,032
FD	Final Demand	5,360	26.8	7.1	18.4	6,797
M	Imports of Goods and Services	1,812	31.1	12.5	16.5	2,375
GDP	Gross Domestic Product at Market Prices	3,548	24.6	4.4	19.4	4,422
F	Net Factor Income from Abroad	13				7
GNP	Gross National Product at Market Prices	3,561	24.4	4.2	19.4	4,429

An examination of the items in the table shows that (if we ignore the balancing items: Stocks, Exports-Imports and "Factor Income from abroad") the GNP consists of two parts, (a) investment ("Gross Domestic Fixed Capital Formation"), and (b) Consumption 'Personal Consumer Spending and "Government Current Expenditure") i.e. consumption spending.

In determining our long term economic strategy the essential decision to be made involves the balancing of the two parts of the GNP Investment and Consumption, and the determination of how rapidly both should grow.

This, in the most basic terms, is the task of Planning. The Planning body itself cannot produce any growth — the productive workers alone do this. But, as in characteristic of stagnant capitalism as the economy is in a state of anarchy the workers must languish in the dole

queues and endure lower standards of living.

In planning the growth of investment and consumption the central planning body must go further than simply setting out overall consumption and investment targets, — targets must be set at the level of each industry since some industries make investment goods (and thus have an output target in line with planned investment growth) and others make consumer goods. Our plan which is set out in sectoral detail indicates such a process.

The objective then, of this section is to derive the necessary consumption, investment and productivity growth rates required for full employment. These three, brought together then gives us the overall GNP growth rate required. This in turn provides us with output targets for commodities which are neither investment nor consumption goods. Such goods have both functions on their use, for example, timber.

In setting out the framework of our plan we are aware that slight changes in specific assumptions will bring about changes in the different precise targets we have set. In this connection it should be noted that all the figures given below represent approximate magnitudes and can vary to a certain extent either below or above our levels. The important thing to remember is that they provide an indication of the realisation of Full Employment that now lies within the grasp of the Irish working class based on the potentials of the Natural Resources of Ireland and the immense productive potential of our youthful and expanding labour force.

The Plan for Consumption Targets:

The Table below depicts the growth of the average wage of industrial workers in the period 1960-1975.

Workers' Standard of Living 1960 - 1975

	1960	1965	1970	1972	1973	1974	1975
	£	£	£	£	£	£	£
Average earnings	8.41	11.81	19.59	25.54	30.77	35.91	46.53
Average earnings in 1975 prices	24.93	28.47	36.51	40.22	43.51	43.41	46.53

From this table the following results emerge:

1.	1960 - 1970	Average annual % increase in Pretax real wage:	+ 3.9%
2.	1965 - 1975	" " " " " " " " :	+ 5.0%
3.	1970 - 1975	" " " " " " " " :	+ 5.0%

Change 1974 - 1976:

1974:	—0.2%
1975:	+ 7.2%
1976:	—4.2%

In the years 1973 - 1976 Pretax wages rose by 0.75% per annum on average, but after tax, wages have been dropping over the last three years.

Our long term strategy in the next ten years envisages a return to the pretax income increases workers were used to since 1965. Further, we envisage that, after the initial income restraint required to finance state company investment in the short term programme to fight unemployment, personal taxation will drop so that towards the end of the 1977 - 1986 period real incomes per person will have grown at an average rate of 5% per year.

In addition to the growth in per capita consumption our population (in line with the

NESC population projections) will grow by 19.6% between 1976 and 1986, (i.e. from 3.16m to 3.78m). As a result of these two factors, consumption will grow, we envisage, to 182.6% of its present level, which represents an annual rate of growth of 6.2%. This gives us our consumption goods target.

The Plan for Expansion of Investment:

There are two elements in our investment target plan.

1. The investment cost of providing 412,400 extra jobs outside family farming.
2. The investment cost of achieving the desired national productivity improvement target in the ten years.

In the years 1967-73 (the post Anglo-Irish Free Trade Area Agreement years) the productivity of the national workforce grew by 5.3% per annum. To obtain at least this growth (ensuring the stability of employment of the existing workforce) we would require an average annual national productivity growth of 6.0% per worker.

Between 1958 and 1975 the total workforce in Ireland remained at 1,055 thousands. The GNP grew from £486.1m in 1958 to £917.3m in 1973 (1958 prices) — by 88.71% — i.e. an annual rate of aggregate productivity increase of 4.2%

Thus, looking at it from an overall standpoint the annual investment in the years 1958 - 1973 was only enough to maintain employment constant — to make up for the job loss in the native capitalist sector.

To get the annual average increase in productivity of 5.3% in the years 1967 to 1973, (the post AFTA years) investment had to grow at a rate of 5.6% in each year, as it did. From this we can conclude that to achieve a productivity improvement of 1% — ignoring all employment increase effects — investment must increase by 1.05%. Thus if we set an annual productivity improvement target of 6% investment must grow by 6.3% per annum. For the ten year period 1976 - 1986 thus means an increase in investment of 84% - i.e. from £950m to £1748m.

The average growth path in national investment that this implies is shown in the table below: we start from a base of £950m because the present level of investment is only holding employment constant.

Investment Path for Raising Productivity Only (+6.3% per annum)

Year:	1976 /	77	78	79	80	81	82	83	84	85	1986
Invest:	950 /	1010	1073	1141	1213	1289	1371	1457	1549	1646	1750£m.

In line with our programme to expand investment so as to create 412,000 additional non family farming jobs investment for expansion must grow as follows, on average:

Investment Path for Expansion Only (£m)

1976	'77	'78	'79	'80	'81	'82	'83	'84	'85	'86	Total
0	73	162	266	391	539	713	919	1160	1442	1771	£7,436

The two tables for investment in raising productivity and creating jobs gives the total investment requirement depicted in the table below:

Total Investment Need 1977 - 1986 (£m)

1976	'77	'78	'79	'80	'81	'82	'83	'84	'85	'86
950	1083	1235	1407	1604	1828	2084	2376	2709	3088	3521

This presents us with a total national investment commitment of £20,935m in the ten years 1977 - '86. This represents the necessity for total investment to grow by 14% a year on average in the period. It can be seen from the above table that in the first year investment would only grow by £133m in real terms. This would in fact create only 10,000 jobs in 1977. Due to the unemployment crisis that now exists, our short term programme would bring forward our future investment commitment to invest in excess of £600m in the first year in order to create jobs that are urgently needed now. How this should be done is outlined in Part 111 entitled "Short Term Programme to launch the Industrial Revolution".

Given the current proportions of our GNP as 20.9% investment and 79.1% consumption, and given the growth rates projected below in the table GNP is planned in our full employment plan to grow by 8.2% per year. This is an indication of the task required to obtain full employment with good jobs by 1986.

Average Annual Growth Rate 1977 - 1986		
	per year	1977 - 1986
GNP	+ 8.2%	+120%
GNP	+14.0%	+270%
Investment	+6.2%	+83%
Consumption	+6.0%	+79%
Productivity		

The Sector by Sector Implications of our Growth and Productivity Targets

The translation of our expenditure targets to production targets for individual sectors of industry properly requires extensive information at factory level of the type of commodity produced and its utilisation in production or consumption. Since we have allocated a higher target to investment spending rather than consumption, the output of investment goods must grow at a faster pace than the output of consumption goods. If all goods were either investment or consumption goods, and the national production statistics, were good enough we could easily say that all investment goods output should grow at the rate of investment spending (14%) and consumption goods would grow at the rate of consumption spending (6.2%). However, two problems exist:

- Some goods are both investment and consumption goods — principally raw materials - e.g. oil, and timber (used to make factories (1) and to make furniture (2)).
- Because in practice the gombeen capitalist state is not interested in planning it does not collect data along these lines — e.g. the CSO's national output figures includes for example 'interest' (listed as being produced in productive sectors such as industry, transport, agriculture).

Lacking this important data anything we must make estimates of the broad sectoral imperatives of the Economic Plan.

First, we make an estimate of the contribution to GNP of the various broad sectors in the economy. Secondly, we allocate growth targets to different sectors on the basis of whether they produce investment goods or consumption goods, e.g. food output would grow in line with the consumption target (in fact slightly below it since the population, as it enjoys higher income spends proportionately less on food), — and output of machinery would also grow in line with the investment target.

At this point it is important to point out that the output/expenditure proportions would have to match, assuming the non existence of international trade. For example if we were to rely on the importation of capital goods to be paid for by exports of consumer goods (e.g. trade butter for machines) we could alter our output targets. In this plan we shall make slight modifications from export potentials here and there — however they will not significantly

alter the targets for two reasons: 1. Because of the uncertainty of international trade. 2. Because one of the primary objectives of the plan 1976-1986 is to alter the structure of the economy so that our industries become geared to the production of investment goods, e.g. machines etc. This is because a basic contradiction exists in the Irish economy — that is the contradiction between high rates of economic growth, and the development of the home market. In other words growth needs investment and investment creates the demand for investment goods. Since these goods are not in general produced in Ireland due to the underdevelopment of the capital goods base, the demand sucks in imports so high growth targets in Ireland inevitably means balance of payments problems which in themselves defeat the objective of growth. Historically, since the introduction of Whitaker's new economic policy since 1958, a chronic balance of payments problem has been solved through imports of capital (money) from the main imperialist powers. This means that, in return for growth and the development of capitalism the country has become more and more indebted to monopoly capitalism. The approach which has been pushed by backward elements on the left and elsewhere is for a return to a protected economy. This however means a drop in living standards and lower rates of growth. This is the alternative (petty) native capitalist "solution". The real alternative which breaks the pattern of exploitation of the Irish working class is the socialist road to a high productivity industrial workers' Republic which produces its own machines and investment goods.

Output by Sector 1976 (Estimated)

Our estimated Output is derived in two steps:

1. The 'Net Output' — contribution to GNP of each sector which is equivalent in scientific political economy to variable capital (wages) plus profit in each sector is derived for the productive (i.e. commodity producing) sectors which produce the total value in the economy. However the information provided by the State on net output per sector (called 'GNP at factor Cost') is quite unreliable and provides a false image completely of the real contribution of the sectors to national output. This results from the fact that those who originally revised these accounts were subject to the confusions of bourgeois political economy

An example of this false 'science' is that bank interest charges are recorded as being an 'output' of the "financial industry". Similarly in commerce — when in reality these sectors are unproductive — all these sectors do is realise a part of the surplus that agriculture, industry, transport and other produce. The administrative civil service is also treated as an "output". In fact their wages are merely a transfer of tax revenue produced by the commodity producing sectors.

Given the uselessness of this data we instead go to the input-output statistics produced by the ESRI for details of net output accruing to each productive sector. Unfortunately these too are not entirely satisfactory. This is not the fault of the staff of the ESRI (or the CSO who initially did the work in compiling the data). It is rather because of specific pricing policies which ensure that the value produced in certain sectors also turns up in other sectors — the clearest case of this is the ESB which produces below value electricity. To get the 1968 output figures we take the recorded net output of each sector (productive) and gross up the data in the proportions of each sector in the recorded net output.

Our estimate results in the following estimate of the proportions accruing to each sector — the 1968 GNP.

Table: Net Output Recorded in I/O Tables for 1968

		% Share	
Agriculture		26.40	} 27.06
Forestry 0.28	Fishing	0.38	

Table cont.

	% Share	
Mining Etc.	3.25	}
Manufacturing	28.25	
Construction	11.24	
Utilities	3.55	
Transport	6.61	}
Communications	2.88	
Private Medicine* ¹	2.18	
Education	5.33	
Personal Services** ²	2.59	}
Other Services *** ³	7.06	

* ¹ Unfortunately State medicine is aggregated with Civil Service.

** ² e.g. Hairdressing.

*** ³ Includes Hotels, Catering, Sport, Domestic Service.

We now find that the real contribution of the three broad sectors in 1968 was as follows:

	1968
Agriculture	17.06
Industry	46.29
Services	26.65

To derive the proportions for our base year 1976 we (1) estimate the services share by means of the growth in employment 1968-76 in services as a % of GDP. (2) estimate the relative industry/agriculture share by means of the relative growth of the two components in the (already defective) national accounts figures.

	1968	1976
1) Productive Services Employment:		
(1) Services (Commodity producing)	234,000	236,500
(2) Total Workforce	1,063,000	1,020,500
(3) (1) as percentage of (2)	22.0	23.2

In the period 1968-76 the percentage share has increased by 5.45%. We thus increase the percentage share of services in GDP by 5.45% to derive the 1976 figure.

Thus services share of GDP in 1976 is 28.10%. This leaves 71.9% to be appropriated between agriculture and industry.

2) Agriculture and Industry Output 1968-76:

The table below provides us with an estimate of the true contribution to our annual output of each of the various sectors. It is of significance to note that Agriculture in 1976 comprises just over one fifth of the production of the country while industry produces half. In fact if we consider the sectors where the "industrial" proletariat are particularly strong — Industry, Forestry, Transport & Communications, we see that of the total proportion of national output more than 60% is produced by the sectors in which the leading sections of the working class are concentrated. This nails the lie to the propaganda constantly disseminated by the I.F.A. that 50% of the population are engaged in agriculture (here they include not alone the food, footwear etc. industries which use the raw materials of agriculture but also industries which produce inputs into agriculture — e.g. agricultural engineering and fertilisers).

On this logic the Trade Union movement can say that the farmers are ancillary industrial workers — they use electricity produced by the industrial working class, the greater proportion of the food they eat is produced in the factories of the working class etc. Indeed, the IFA's logic that just because they produce goods used by the working class the working class are somehow subservient to them if extended to its full logical conclusion could be alternatively stated as that the whole population are totally dependent on artists who indeed do use electricity, eat food, use transport, go to hospital and consume other goods and services.

Furthermore it should be noted that, because of the recession which, for example, hit

industry and transport severely (industrial production fell by 6% in 1974), and because 1975 and '76 have been freakishly good years for agriculture, the normal ratio for agriculture/industry is temporarily altered.

A further factor which must of course be accounted for is that in sectors where state industry is predominant — as in transport, electricity, forestry, turf and sugar, the net output, which is determined by the price policy of the gombeen state, will be substantially underestimated.

This is because of state policy to plan the economy so that maximum profits accrue in the gombeen dominated sectors — e.g. manufacturing and agriculture. Thus ESB, CIE and Bord na Mona, must provide commodities without taking a normal profit margin — this undervalues their output, yet overvalues the output of the consuming sectors. In the same way CSET must pay exorbitant prices to the big beet growers yet must charge low prices for sugar to the consumer due to competitive pressures from other sugar producers — the EEC — in the same way the Department of Lands can make no profit on its timber production, but must sell the wood for a song.

As % of Agriculture and Industry Output only				
	1968	1974	1975	1976
Agriculture	36.00	29.86	32.06	30.89
Industry	64.00	70.14	67.94	69.11
	100.00	100.00	100.00	100.00

Thus, of the total GDP Agriculture accounted for 22.21% and industry accounted for 49.69%.

We thus get the total Sectoral Estimated breakdown for '76 as follows:

1976			
Agriculture	21.55	} 22.21%	
Forestry	0.28		
Fishing	0.38		
Mining etc.	3.49	} 49.69%	
Manufacturing	30.33		
Construction	12.06		
Utilities	3.81		
Transport	6.97		
Communications	3.04	} 28.10%	
Private Medicine	2.30		
Education	5.62		
Personal Services	2.73		
Other Services	7.44		
	100%		

Aggregate %	
Agriculture etc.	22.21
Industry	49.69
Services	28.10
	100%

Sectoral Growth Targets 1977-86:

The estimates we have derived for the contribution to GNP of the various sectors now enables us to derive target growth rates for each sector. The table below indicates the determination of growth rates for the different sectors in accordance with their importance as consumption or investment goods producing sectors. In one or two cases we have weighted certain sectors towards investment or consumption in accordance with the specific contribution these sectors can make to Ireland's economic development in the next 10 years, eg. forestry.

Sector	% of Output Consumption Goods	Annual Growth Target (%)
Agriculture	100%	6.2
Forestry	0%	14.2
Fishing	100%	6.2
Coal & Turf	GNP*	8.2
Quarrying & Other Mining	0%	14.0
Food, Drink & Tobacco	100%	6.2
Textiles, Leather, Clothing, Footwear	100%	6.2
Forest Products	77%	8.5
Chemicals	29%	12.2
Glass & Clay products	27%	12.3
Engineering & Metal	0%	14.0
Other Manufacturing	50%	10.1
Construction	50%	10.1
Electricity, Gas, Water	GNP	8.2
Transport & Communications	GNP	8.2
Health	100%	6.2
Education	0%	14.0
Personal Services	100%	6.2
Other Services	GNP	8.2

* Where "GNP" is inserted in this column we assume the output of the sector to grow in line with the GNP output (=8.2% per year).

These output targets when put together will result in an increase in the GNP from today's £4429m (1976) to £9750m in 1986.

The Working Week:

Besides our projection of 5% annual average growth in the real income of the average worker we also envisage a reduction of the workweek which will be possible as a result of the greatly increased level of productivity in industry and the reliance on "capital intensive" investment. In specific terms we envisage the reduction in the working week of workers from the 41.8 hours (4th quarter 1975 — a fairly representative quarter of current times) to 37 hours in 1986. In our plan for agricultural development a law will be passed limiting the basic working week for farm employees to 37 hours. On a national basis this reduction in the workweek will provide a once-off reduction in working hours of 13%.

The reduction in the workweek, combined with the national total productivity target allocated to each sector in accordance with the different degree of urgency existing in different sectors to improve productivity and rationalise results — the following annual sectoral productivity growth targets in the period 1977-87.

Sector	Productivity Increase by Sector	
	Output per Man Year	Output per Man Hour
Agriculture	7.0%	6.5%
Forestry	0.5%	1.7%
Fishing	2.7%	4.0%
Mining	4.8%	6.1%
Manufacturing	4.3%	5.6%
Construction	5.0%	6.3%
Utilities	4.7%	6.1%
Distribution, Transport	6.0%	7.3%

Table cont.

Sector	Output per Man Year	Output per Man Hour
Public Administration	2.0%	2.0%
Health, Education	0.8%	0.8%
Services	3.5%	4.8%

These targets provide the guidelines for the derivation of our employment growth in each sector in our industry-by-industry plan 1977-86.

9-Agriculture & Food

Agriculture is one of the most important of Ireland's natural resource endowments. As a party we believe that all the natural resources of the country should go to benefit all who contribute by their work and effort to the country's welfare. We believe that the agricultural resources of the country should be geared towards raising the living standards of the workers of Ireland and to providing jobs for the unemployed and the 35,000 young school-leavers who enter the job market every year. We believe that the concept of Irish agricultural resources being the exclusive preserve of an ever-diminishing number of large scale commercial farmers to organise in their own selfish interests is incompatible with the objectives of our Full Employment Plan.

We thus support a revolution in attitude to agriculture, from being a sector synonymous with a tight fisted and livestock class to a modern food industry comprising an integral part of the expanding national economy.

This will involve a change in concept of agriculture from being primarily a dairy and cattle producing enterprise to that of an industry providing biological inputs to a sophisticated industrial sector engaging in food processing, pharmaceutical and other chemical manufactures.

The plan will require a policy to eliminate the anarchy of production in the sector, so that the fluctuating seasonal patterns and various product cycles that characterise present day agriculture will be substituted by the orderly annual increase in output required if we are to realise the potential of an extensive downstream processing industry.

For the unleashing of the potentials of Irish agriculture towards economic growth and full employment, a revolutionary new approach towards the system of land tenure will be required. In the course of this century the Irish land tenure system has moved from an extreme form of tenant proprietorship to an extreme form of private tenure. This has resulted in massive tracts of potentially productive land lying derelict and wasted throughout the country.

We propose that, as a means of making the sector contribute its fair share to the tax burden of the country and as a means of ensuring that existing land, both waste and in production, is used more productively, a system of taxation, such as a tax on land (graded according to the fertility of the soil) be introduced.

In 1975 we imported agricultural products which could be produced in this country, valued at £168,700,000. With imports projected to grow in 1976 by 22% approximately, our imports of potentially substitutable agricultural goods will stand at over £200m. The production of these goods by a regenerated agricultural and food processing industry would more than eliminate the balance of payments deficit of £16m. estimated for 1976. Alternatively, taking the total investment cost per job in new industries approved by the IDA in 1975 as £13,602* this import saving could finance the creation of 14,700 jobs in State industries. The growth of our agricultural output in the ten year period 1977-86, just to substitute for these imports alone, will have to be of the order of one third of present output.

To achieve this import substitution target as well as to satisfy the projected annual expansion of consumer demand of 6.2% per annum will require an unprecedented effort to develop our agricultural potentials. In this task, we envisage a centrally important role for

our Agri-business State Companies, the Sugar Company and Bord na Mona in conjunction with the research and development function of An Foras Taluntais and the Departments of Agriculture and Lands. Simply, we envisage the emergence of a massive food producing conglomerate producing a diverse range of products from the field to the supermarket.

We also envisage the attainment of a substantial productivity improvement in agriculture so that lower unit raw material costs will contribute to the improved competitiveness of agricultural exports on the domestic market, resulting in lower food prices for the housewife and better job security in the manufacturing sector.

In striving to attain the productivity and output targets set for the sector, we shall aim to ensure a high degree of responsiveness in the agricultural annual output targets to national economic needs, particularly with regard to balance of payments policy as determined by the Industrial Planning Authority.

Finally, we shall aim to promote extensive product development and commencement of production of new lines, e.g. exotic vegetables and fruits, wines, etc., to be effected by means of the Sugar Company and Bord na Mona, in conjunction with the Agricultural Institute who already have developed a large number of agricultural and horticultural products which could be put into production today.

The suitability of Irish land for agricultural production is well known. This however does not simply apply to livestock. As we show below, Irish grain output can be greatly expanded and, in addition, our potential for vegetable production as well as other crops both outdoor and in glasshouses is immense.

Livestock — The Potential:

The existing grazing capacity of the country could support twice the number of livestock units now carried — but only under the control of the State. In June 1972 the Agricultural Institute National Soil Survey Division, in a publication entitled **The Potential of Irish Land for Livestock Production**, indicated that "with existing technology there is scope for doubling the livestock population". The fact that technology has advanced even in the years since 1972 (the introduction of the 'Masstock System' is an example) indicates that this is a conservative estimate of the ultimate potential. As for the time scale in which this might be possible, the IFA in a report "Expansion of the Livestock Industry" (Dec. 1973) said that the livestock population could be doubled in the years 1973-83. This they envisaged, could involve a doubling of the cow population from 2.1m in '73 to 4.1m in '83; an increase of milk production by 2.6 times from 600m gallons in 1973 to 1580m gallons in 1983; and an increase in beef cattle output, rising from 1.26m head in 1973 to 2.83m (an increase of 125%) while sheep could increase by 50% from 4m to 6m.

If this were to occur, and assuming that live cattle exports on the hoof were stabilised at around the 1974 level of approximately ½m, the input of cattle to the meat factories would leap dramatically from the 0.64m of 1973 to 2.33m in 1983 — a 360% increase; with hide processing in the Leather and Feltmongery industry now running at approximately 250,000 hides per annum the potential for the tanning industry would be a massive 900% expansion.

With land availability not being a limiting factor, a similar doubling of output is possible in pigs and bacon

Tillage — The Potential:

With the allocation of sufficient land to grain (barley, wheat and maize production) national self sufficiency is potentially attainable in these crops which are well suited to the Irish soil, pattern and climate. The production of many fruits and vegetables are ideally suited to the

Irish climate and have the added advantage of not being very land extensive in their cultivation. Enormous potentials exist for the cultivation in glasshouses of vegetables and crops not hitherto associated with Ireland. As has been pointed out by a Foras Taluntais staff member writing in the *Irish Times* (29th April, 1976): "It is not widely appreciated that the Irish climate, being largely free from extremes of heat or cold, is the most suitable in Europe, apart from the Channel Islands, for the production of crops in greenhouses".

In general, the experts of Irish agriculture come to the broad conclusion — a simple formula — that the output of Irish agriculture, both of crops and livestock, could at the very least be doubled. It is clear that such a doubling, on a technical basis could be attained within a ten year period.

With a "Bio-industry" approach to the sector, further tremendous new possibilities occur. Much of these exist in the possibility of production of animal by-products (e.g. hormones, enzymes), and herbs, as raw materials for the drugs and pharmaceutical and industry. An example of such a potential could result in a link up between the Sugar Company, producing sugar molasses in large quantity, which can serve as a substrate for fermentation of organic chemicals produced by the Pfizer chemical company at Rinkaskiddy in Cork.

The long term objective of the economic plan will be to realise these potentials.

The Reality:

The backwardness of Irish agricultural production is due to an archaic system of land tenure which ensures that the progress of Irish agricultural production is painfully slow and erratic, characterised by violent swings in production from one year to the next. These swings make the planning of the industrial processing of the sector's output almost impossible. The backwardness of our agricultural sector is compounded by the reactionary policy of the Coalition Government who have a vested interest in maintaining the rule of millionaire middleman and gombeens in their greedy exploitation of the surplus value arising in food production. Fine Gael are willingly abetted in their anti-worker policy on agriculture by the Labour Party who shamelessly abdicated all responsibility for this fundamental natural resource to Fine Gael. The anti-worker and anti-state company policy of Fine Gael is well revealed in a speech delivered in mid November 1976 by Liam Cosgrave when he commended the work of Bord na Mona in reclaiming large tracts of finished peatland in the midlands but went on to stipulate that this land be handed over by the Bord to gombeen farmers adjoining the bogs rather than entrusting it to the Bord to develop in the interest of the country.

The result of this policy is to restrain the State companies in the Sector — CSET & Bord na Mona — from development of this important natural resource. Why else is a representative of Matterson's Vegetable Processing Company on the Board of the Sugar Company along with a representative of the most reactionary and anti-worker faction of the Irish gombeen class, T.J. Maher?

The Problems in Achieving the Potential of Irish Agriculture:

The four main problems in increasing production are the overlarge number of producing units, the age structure of farmers, the land structure of agriculture and the cyclical swings in production.

1. Too many producing units:

By comparison with industrial sectors in which many commodities are produced by a few or even only one production unit (e.g. spirits and cement) agricultural commodities are produced by a multiplicity of units (it is currently estimated that there are 160,000 farms in Ireland) This very fact alone makes planning in the sector extremely difficult since an enormous task of coordination is required to ensure the fulfilment of agricultural production potential.

2. The age Structure of Agriculture:

Table 1 indicates the number of farmers classified by area of farm and age group in 1971 according to the Census.

Table Area of Farm (Acres)	Less Than 35 years	Age of Farmers				Total
		35-44 years	45-54 years	55-64 years	65 + years	
1 - 15	1,375	2,345	4,327	6,467	7,848	22,362
15--30	2,995	5,259	9,049	11,581	12,039	40,923
30 --50	4,405	7,666	11,663	12,281	11,205	47,220
50 --100	4,964	8,841	11,929	11,453	9,366	46,553
100 +	2,602	4,632	6,036	5,582	4,515	23,367
Area not stated	188	196	255	271	292	1,202
	16,529	28,939	43,529	47,635	45,265	181,627

The table shows that 51% of the 181,600 farmers in 1971 were over 55 years of age. Today in 1976 this means that approximately this proportion is over 60 years of age. A further 24% are now between the ages of 50 and 60, indicating that 75% of farmers today are over 50.

If we assume an average median acreage in each size category we find the following total acreage being in the possession of 60 years plus.

		Table 1976 (est) Age of Farmers		
Size of Holding		60 - 70 yrs.	70 + yrs.	Total 60 +
1 - 15	(average 10 acres)	64,670	74,480	143,150
15 - 30	(" 23 ")	266,365	276,895	543,260
30 - 50	(" 40 ")	491,240	448,200	939,440
50 - 100	(" 75 ")	858,975	702,450	1,561,425
100 +	(" 150 ")	837,300	677,250	1,514,550
Not stated	(assume 50 ")	13,550	14,600	28,150
Total		2,532,100	2,197,875	4,729,970 acres

We thus see that between 4½ and 5 million acres of land will be in the hands of 93,000 farmers who, by 1986 will all be aged over 70. This represents almost half the agricultural land in the country granted, a certain proportion of land will be inherited and acquired by younger farmers but, with estimates of the entry to farming of only about 1,500 each year*¹ the ten year period will only see around 15,000 of these 93,000 farms coming into new hands. Given AFT projections that in the 1980s farms of less than 80 acres will be available*², and given enhanced industrial job opportunities only a handful of the 1,500 entrants to farming would be replacing the holders of an estimated 2,500,000 acres of land who will be aged over 70 years in 1986 and who are on holdings of less than 80 acres. This land approximately ¼ of all agricultural land in Ireland, will inevitably go into waste and at best, will be more grossly underutilised than at present during the years 1977-'86.

In addition, the following projected acreage in unviable holdings will be in the hands of farmers aged between 60 and 70 in 1986.

Source: *1. Macra na Feirme. *2. B. Kearney, An Foras Taluntais.

Acres	E. Acres
1 - 15	43,270
15 - 30	208,127
30 - 50	466,520
50 - 100 (est)	447,337

Total 1,165,254

With a further 500,000 acres at least now existing in unviable holdings of less than 50 acres it can be said that approximately four million acres of Irish agricultural land (about 40%) will be wasted or grossly underutilised during the period of the full employment plan 1977 - '86.

This factor will seriously militate against the attainment of the potential of Irish agriculture we have outlined above.

3. Land Structure of Agriculture:

To avoid this catastrophic waste a radical new land tenure policy will be essential if the potential wealth and job creating role of a food industry in the plan is to be realised.

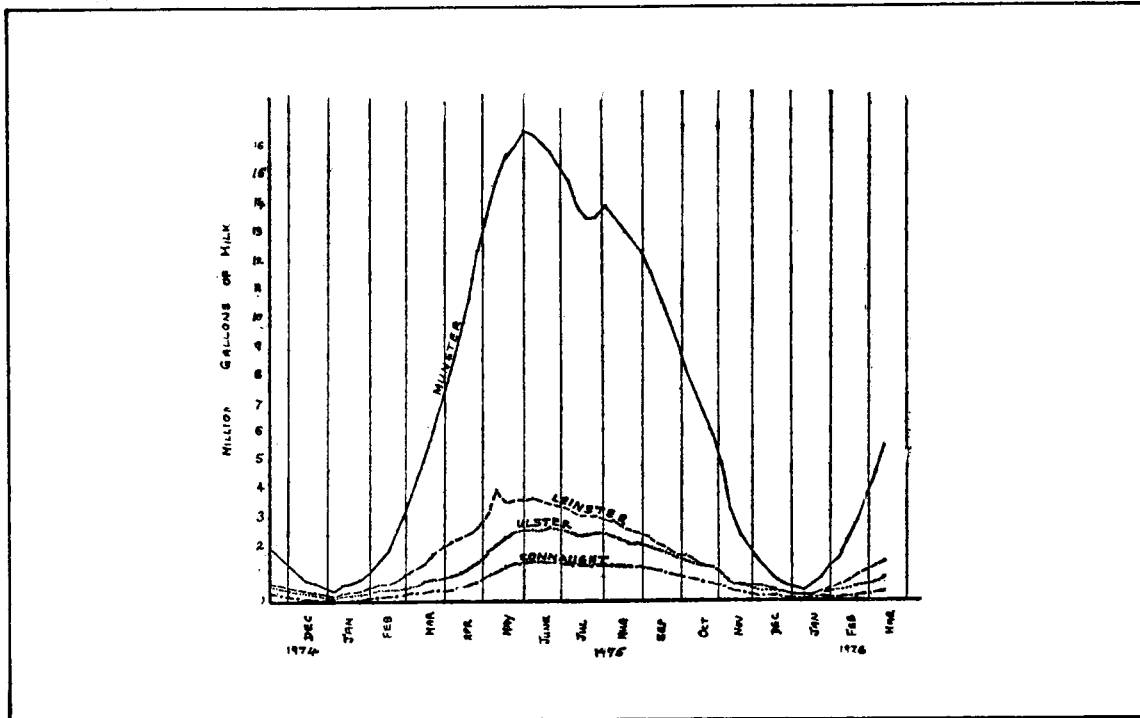
The present rulers of our society are immovably committed to a continuation of the status quo in Irish agriculture. Their reason for this is that they serve the interest of a small and powerful gangster class who see the continuation of the present structure of agriculture as being in their interest. This status quo ensures the lack of job creation and a continuing flow of cheap disinherited labour from the farms to be exploited by the rural and small town gombeens and big farmers who form the backbone of the Fine Gael party. They are furthermore committed to the maintenance of a large stratum of unviable small farmers locked into their holdings through the lack of job opportunities outside farming. This is because the big farmers need a constant supply of calves and young store cattle (traditionally produced by small farmers) bought at below value prices to be fattened and sold into intervention which operates to fatten the profits of the farmer disposing of fat cattle at the factory gate. They thus systematically reap a profit much of which initially was produced by the small cattle producer.

Given the vested interests that exist in maintaining the present anarchic and exploitative agriculture — is represented politically by the National Coalition — the waste of our land resources depicted above will be inevitable during the next ten years. There will be a minimal expansion of output — far below potential — and there will be virtually no jobs created in the meat processing, tanning and the other branches of the food and Bio industry.

4. Cyclical and Seasonal Swings:

A further problem in achieving an efficient food processing and bio industry is the existence of violent seasonal swings in output. While seasonal swings in agricultural production are inevitable due to the vagaries of climate and the seasons the massive fluctuation which occurs in the flow of agricultural output to our factories indicate that next to nothing has been achieved in planning to avoid these fluctuations by such measures as altering the seasonal harvesting pattern of crops and evening out the seasonal patterns of beef and dairy production for which tremendous scope exists.

As we can see, by the following diagram, for nearly half the year Munster creameries (which comprise nearly 70% of national creamery capacity) are operating at no more than 25% of potential capacity. In the past six to seven years the State, through the IDA has pumped millions of pounds by way of grants into the Co-Operative owned creameries.



Besides the enormous waste of highly expensive equipment paid for by the working class taxpayer, the workers of the dairy industry, and the meat processing industry must endure an existence of seasonal employment. The stabilisation of supply, besides rising productivity greatly, will transform many thousands of seasonal jobs into all year round stable jobs.

In this connection it has been observed by the *Irish Times* Agricultural Correspondent, "It seems likely that European milk processing plants would go out of business if faced with the erratic milk supply provided by Irish farmers", and further says that this erratic supply pattern must make "Irish processing plants some of the most inefficient users of highly expensive and sophisticated manufacturing equipment and processing facilities in Europe". (*Irish Times* 29th April 1976)

Insufficient and irregular supply of raw materials has contributed to a decline in the numbers employed in agriculture-based industries:

Employment in Agriculture-Based Industry:

	Sept. '74	Sept. '75	% change
Bacon Factories	4,800	4,500	- 6.2%
Meat Slaughtering	5,100	5,400	+ 6%
Butter, Cheese etc.	9,200	8,800	- 4%
Canned Fruit & Veg.	3,600	3,000	- 16%
Grain Milling and Foodstuffs	4,400	4,300	-
Bread, Biscuits	9,400	9,000	- 4%
Sugar Manufacturing	1,700	1,900	+ 11%
Cocoa, Chocolate etc.	4,800	4,000	- 16%
Margarine, Cooking Fats	400	400	-
Miscellaneous	1,500	1,500	-
Total	44,900	42,800	- 4.6%

Employment in Agri-Industry 1977-86:

The table below outlines how employment will grow in Agriculture and Food Processing in line with the planned increase in output and productivity.

	Employment 1977-86			
	1976-7	% of Total	1986	% of Total
Agricultural Employees	27,000	9.2	40,000	17.4
Family Farming	213,000	72.6	113,000	49.2
Food Processing (Factory)	<u>53,300</u>	<u>18.2</u>	<u>76,500</u>	<u>33.4</u>
	293,300	100%	229,500	100%

As we can see, our plan for greater efficiency in food production, with consequent lower costs for the housewife, involves an increase in the trend of the sector towards industrialised production. This is reflected in the fact that family farming will decline as a percentage of the total at work from 72% today to just under 50% in 1986.

Our plan for the expansion of consumption goods will involve an increase in the output of the sector by 83%. The setting of a target to substitute half of the agricultural imports which could be produced in Ireland today will raise the level of output growth required from the industry to 98% of the 1976 level. This is in line with the technical potentials outlined by the Agricultural Institute and others.

This expansion of output in line with our man hour productivity target of 5.6% per annum (4.3% per man year) will involve the development of employment as shown in the table above. As we can see, employment in Food, Drink and Tobacco will grow by 23,000 from 53,300 today to 76,500 in 1986.

This job creation will occur in the different food processing sectors as follows:

1. Meat Processing: (Beef and Bacon):

- (a) In beef processing a greater than average expansion of employment than for the food sector as a whole will occur. This is due to the fact that our policy for the sector involves a reduction of cattle exports on the hoof so that beef products will be exported in a more processed form.

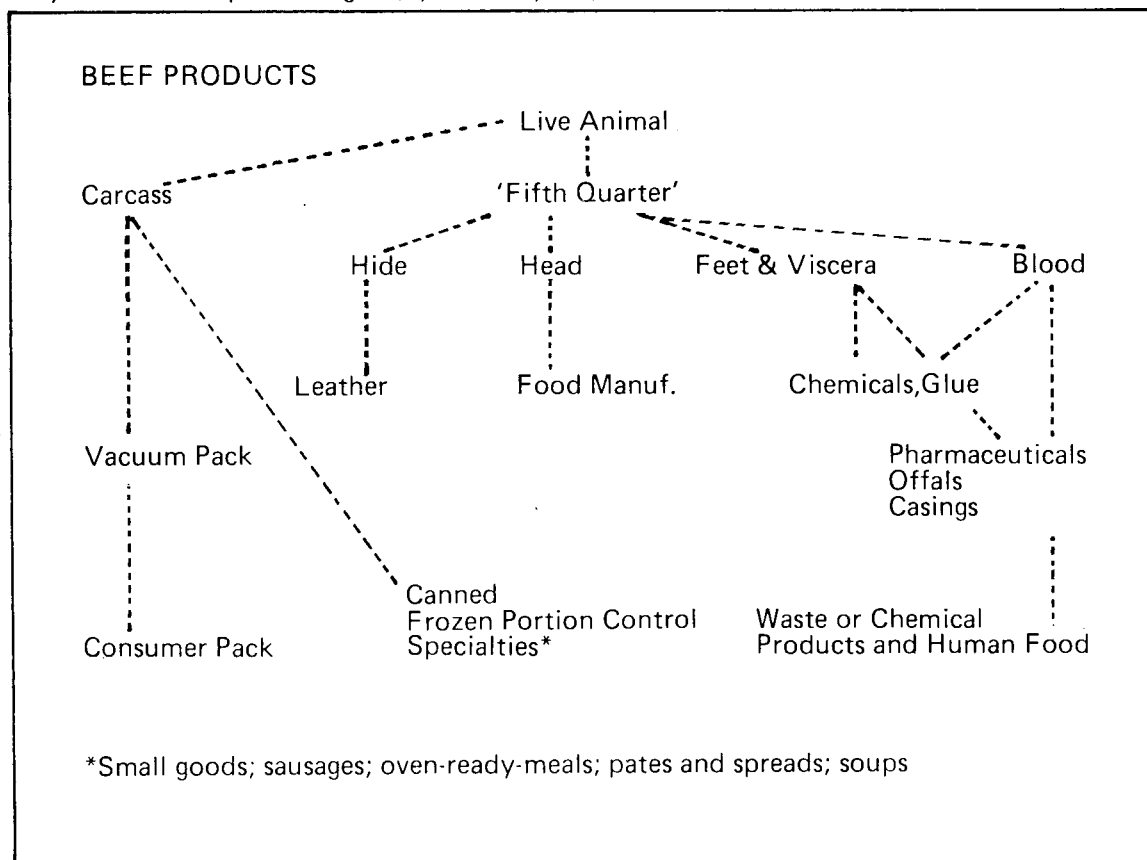
In 1975 Ireland exported 1.4m cattle on the hoof and 2.7m cattle in carcase form. A study in August 1976 by the Irish Livestock and Meat Board concludes that there is no reason why the further processing of meat into primal cuts that are vacuum packed and distributed to a bulk storage depot should not take place. Bord Bainne when it was a state company performed a similar rationalisation in the dairy products sector.

In addition, a vigorous policy of produce development will be pursued. The development of a comprehensive range of new products along the lines depicted in the diagram will be encouraged.

It is our policy that a new state company incorporating An Coras Beastoc agus Feolann and An Foras Taluntais beef production divisions will be responsible for the marketing and planning of Irish Beef production. It is also our plan that the expansion of processing capacity should be by the State, since the Co-ops being up to their neck in debt do not have the adequate finances to do so. It is our plan that 3,000 new jobs in addition to the 4,500 now existing in meat processing should be created. Further, by policies designed to reduce seasonal swings in beef production, the seasonal patterns of meat production should be a thing of the past.

- (b) The state meat company will also be made responsible under the direction of the IPA for the bacon factories. An increase of bacon output in line with the national consumption targets should occur, but, in view of the need for rationalisation of the industry which

will result in higher productivity growth than in the past, employment will grow less rapidly than in beef processing — (4,500 to 6,000).



2. Dairy Products Industry:

In line with market requirements the expansion of our cattle herd in the next ten years will have to be geared more towards beef than milk production. Nevertheless with a policy of product development along the lines depicted in the diagram above, (produced by the Agricultural Institute), and the expansion of incomes in line with our economic plan employment is planned to grow by 3,000, from 9,000 to 12,000 in 1986.

Dairy Products Skim Powder Based Foods

Humanised Baby foods
Infant formula
Dietetic Foods
Dessert powders
Instant breakfasts

Filled Milk powders,
Coffee whiteners
Vending machine powders
Calf replacer formulations.
Bakery powders (e.g. bread).

U.H.T. Dairy Foods*

Milk/fruit juice
Whey/fruit juices
Cheese spreads
Butter cheese sauces

Infant formulas
Dietetic milk
Custards
Desserts

*Source: A.C.O'Sullivan 'Diversification in Milk Processing' AFT Technical Bulletin, Dairy Series 2/72 (1972).

U.H.T. Dairy Products

Milk
 Skim Milk
 High Protein Milk
 Flavoured milks
 Milk shakes

3:1 Milk concentrates
 Creams, whipping, pouring & coffee
 cultured milk products.
 Ice cream mixes

3. Preserves & Vegetables:

In 1976 we imported fruit and vegetables worth over £40m. By far the greater proportion of these can be produced in Ireland. In line with our national consumption targets, and in line with our policy of import substitution and export development through productivity improvement and product development 3,800 additional new jobs will be created.

It is our policy that the Sugar Company immediately establish new factories to produce processed goods which will be supplied by Sugar Company farms and Bord na Mona farms on reclaimed bogland.

4. Grain Products:

The huge expansion of livestock projected in our plan will require a commensurate increase in animal feedstuffs in particular. The rapid increase in import substituting grain production envisaged as part of our policy, and the corresponding increase in output from this sector will require the creation of 2,900 jobs in this grain and animal feed. On the other hand, since we do not expect an increase in the output of bread, biscuit and flour products in line with the targets for consumption growth (since workers with higher incomes tend to spend proportionately less on bread, flour etc.) an employment increase of 1,500 from 9,500 to 11,000 in bread, biscuit and flour products is envisaged.

5. Sugar and Sugar Confectionary:

The Sugar Company will be empowered to dominate the development of this Sector in conjunction with the large private sector firms such as Cadbury's. With the necessity of a substantial rationalisation of production to ensure our competitiveness with imports and to maintain the viability of the sector, overall employment is projected to increase by 2,200, from 6,500 to 8,700. The Sugar Company will, we envisage, however, increasingly get involved in the growing of its own beet so as to keep down sugar prices and avert the danger of imports. In this connection we envisage the creation of agricultural employee jobs by the Sugar Company which will contribute to the expansion of the agricultural employee workforce of 13,000 shown in the table at the beginning of this section.

6. Miscellaneous Food (incl. margarine):

2,000 are employed in this area at the present time. In our plan we project as a conservative assumption the creation of 3,000 new jobs at least. The great bulk of these jobs will be in Bord Iascaigh Mhara onshore fish processing plants.

7. Drink, Beverages, Tobacco:

Domestic consumption in this area should increase at a slower rate than the targets of our economic plan for consumer goods. This is particularly true of tobacco products. In Ireland this sector is dominated in all its branches by monopolies — Guinness (Brewing and Malting) Irish Distillers by Seagram spirits, while Rothmans, Imperial Tobacco and Carreras run tobacco. The I.P.A. shall direct the production of the sector in line with national targets, back-

ward linkage policy and employment conditions. Overall, economic growth and extra productivity will strengthen the stability of employment and the strength of the trade unions in the industry, will result in an employment expansion in the sector of 2,200 jobs approximately, from 9,800 to 12,000. An additional feature of our plans for this sector shall be the encouragement by the I.P.A. of the Agricultural Institute to engage the production of wines from domestic fruits.

10·Forestry

The expansion of Irish forestry and the development of a large scale wood products industry constitutes a centrally important foundation of our industrial revolution.

By means of a massive expansion of the state forests itself creating thousands of new jobs, Irish workers will create an immense new natural resource which will provide the basis for the creation of 40,000 new industrial jobs towards the end of this century and will radically alter one of the principal inherent weaknesses of the underdeveloped Irish economy by transforming our chronic balance of payments problem into a situation of trade surplus.

Forests, as any person acquainted with the economy of Scandanavia and the Northern parts of the Soviet Union, are an extremely valuable natural resource which has the particular advantage of being renewable.

Wood production presents tremendous downstream processing potentials (one job in the forest generally is associated with four jobs off the plantation) and wood as a basic raw material has the advantage, besides its highly attractive aesthetic features, of being a very versatile material. Wood can be used for a wide range of applications in construction, furniture, paper, board and packaging, engineering and a myriad of other possibilities such as toys, tools, household implements etc.

The expansion of domestic wood production in Ireland is particularly advantageous to the development of a large scale wood processing sector by virtue of the fact that timber is a very expensive raw material to import over water and the nearest large scale forest areas to Ireland are as far away as Scandanavia.

Aside from the economic and social desirability of developing a big forestry and wood products industry in Ireland it is a fact that the soil and environmental conditions of this island are uniquely suitable for the growth of timber, particularly softwoods which account for 85% of national timber imports. Further, the parts of Ireland which are especially suitable for high timber yields particularly the drumlin areas of the northern and north western half of the country, exhibit poor suitability for agriculture, either livestock or tillage. This has been proven in a number of studies carried out by the State Agricultural Research Institute — An Foras Taluntais. In an important study carried out in 1971*¹ the Agricultural Institute conducted a soil survey of Co. Leitrim (typical of land types in the North and Northwestern counties such as Monaghan, Cavan, Roscommon, Mayo and Sligo) which found that 84% of the soils of the county were poorly drained, 96% were poorly suitable for tillage and 74% were poorly suitable for grass production. Yet, the survey found that 61% of the county had a high to very high potential for forestry, with 78% of Leitrim being above the national average and 30.8% of the county being in a timber yield class one class higher than the top British yield class.

The photograph below shows a stand of Sitka Spruce trees near Leitrim village which have already reached a height of 56 ft. aged 22 years. Approximately 25% of the soil in the county is capable of producing a yield of this order.

Irish Timber: The Basis of 55,000 new jobs within 25 years:

At the present time about 800,000 acres of the state is under forest — much of this having been accumulated during the last 20 years, when the state has implemented a policy — through the Department of Lands, Forestry and Wildlife Division of planting 25,000 new

acres a year. A continuation of the plan would see just over 1m acres in forest by 1986. Yet, in the eight north and north western counties of the state alone there are almost 2m acres which possess a very high forestry potential but now lie fallow as waste land or as all but waste land in the possession of an aging and under-productive small farmer class. By planting only a third of this land in addition to other suitable areas in other parts of the country a further 1,000,000 acres could be added to our national forestry resources by 1986 giving as a total plantation in excess of 2,000,000 acres. Our plan, by adopting this initiative, thus envisages a five fold increase of the Department of Lands' present totally inadequate planting rate from 25,000 acres per year to 125,000 acres a year. This would involve the creation of 15,000 new jobs in forestry in addition to the 4,000 existing today.

Most of this direct new job creation would occur immediately, not over a long period and will provide a large number of well paid state productive jobs in the State forestry service within a year of the start of the Full Employment Plan. This short term job creation strategy would provide a much needed boost to our crisis ridden capitalist economy and would be a fundamentally important weapon in our fight to avert the danger of imminent emigration which threatens our school leavers and indeed the whole working class.

The immediate expansion of the planting rate to 125,000 acres per year would involve a five fold increase in the financial allocation to the Department of Lands Forestry Division. This is in contrast to the policy of the Coalition, who, while they make land rhetoric about their commitment to job creation and empty slogans about expansion of the State Sector, in practice cut back spending on forestry plantation in 1976. The fact that the Coalition (in real terms) cut back forestry spending at a time of crisis and unprecedented unemployment illustrates the strength of their real convictions on the question of the urgency to create jobs. The reality of the Coalition (*² and Fianna Fail) position is that in this, as in many other areas, the prejudice of a conservative petit bourgeois rural class are a more important consideration than the needs of our thousands of jobless young workers.

As a basic feature of our strategy in making land available for forestry purposes a tax on waste and underutilised land could be introduced which would contribute towards the financing of the forestry programme as well as making possible an elderly farmer retirement plan more attractive than that now being operated. Such a retirement plan — providing adequate pensions to elderly landowners — would work to ensure the release of sufficient land for planting by the Department of Lands to attain the annual planting rate of 125,000 acres.

Downstream Forest Products Industry:

The growth of a forest takes time, and in Ireland felling of trees normally does not begin until 15 years after the plantation is put down. This clearing usually continues for a further 15 years at least. Thus, in our full employment plan to 1986 the principal additional job creation that will occur will be in the forests themselves. The creation of downstream jobs from our 1m. acres of forest will not begin until the 1986-'96 period. By the turn of the century however, a full large scale wood processing industry will have emerged. Let us look at the scale of this potential industry.

Based on data employed by Irish forestry economists the average downstream processing wood input/employment ratio is 6410 hoppus feet*³ per man year*⁴

We can use this ratio to estimate the downstream employment creation of the Department of Lands' projections for Irish forestry output to the year 2000 based on the present planting rate of 25,000 acres per annum. This is given in the table below:

Projected Output from Present Irish Forests		Downstream Employment*	
1977	151 million hoppus feet	1977	2343 jobs
2000	270 million hoppus feet	2000	4212 jobs

cont. 2000 — 56 million hoppus feet

8736 jobs

Source: Dept. of Lands.

By contrast, total Irish Softwood consumption in 1973 was 54 million hoppus feet.

However, with our 1976-'86 planting target of 1m. acres, and assuming an average annual yield (growth of timber) of 200 hoppus feet per acre of these 1m. acres (An Foras Taluntais estimate that 76.5% of the land in Co. Leitrim has a higher yield potential than this) by 2000 a potential wood supply of at least 200 million hoppus feet would be growing each year on our 1m. acres of forest that would be planted in the 1977-'86 Full Employment Plan. Assuming a continuation of the 1974-'86 planting rate after 1986, it would be possible to achieve an additional annual forest output of 150m. hoppus feet which, addition to the Department of Lands projected output from pre 1976 forests could make possible a forest products industry employing 40,000 workers directly. For us to achieve this tremendous future potential, which in the year 2000 would represent a balance of payments saving of approximately £400m in today's prices*⁵, we must start to plant the forests now. Every year we lose while the Coalition fiddles, pushes back our future potential of a massive forest and wood processing industry one more year into the 21st century.

Expansion of Wood Processing Industry 1976-'86:

Overall, consistent with the National Targets set for manufacturing industry in the Plan, this sector will increase its output by two and a quarter times along with an annual productivity improvement target of over 5½%. This implies a growth in employment overall of approximately ¼

Our targets for the Wood industry which includes two chipboard factories (Waterford and Scariff) established with IDA grants takes account of the expanded output from our state forests by 1986 as projected by the Department of Lands (see table above). Furniture, while increasing its output substantially, will, in accordance with the plan be required to undergo rapid productivity and rationalisation improvement. Today in furniture there is far too little rationalised production with its attendant inefficiencies and inadequacies particularly in the area of design. This has been pointed out in the past by the Committee on Industrial Progress report on the sector. Strong state initiatives in this area would be encouraged in the absence of satisfactory progress on the part of private enterprise. In this event the Board of Works will be empowered to engage in furniture manufacture to fulfil all State and Semi State orders and shall receive preferential treatment in matters of raw material supply from the State forests. In paper production a state pulp mill will be established and close links forged with the large dominant paper companies, such as CPM, Killeen and National Board Paper Mills. A special relationship shall exist between the IPA and the Jefferson Smurfit group in both Paper, Printing and Packaging which has in recent years been rapidly rationalised by Smurfit.

Consistent with the overall economic targets, and in line with the organisational capabilities of the State employment by sector in Forest Products is planned to grow as follows:

Sector	Employment '76	Increase	Employment '86
Wood & Cork	4,000	+2,500	6,500
Furniture	4,700	+1,000	5,700
Paper & Board	5,800	+1,300	7,100
Printing & Publishing	10,800	+2,400	13,200
Forest Products Industry	25,300	+7,200	32,500

To attain these targets the IPA will engage in direct initiatives in for example furniture,

wood, and printing, where state contracts are centrally important. As a further means of ensuring target attainment the IPA will determine the actual timber output rate from our state forests. This for example, if raw material shortages our costs threaten the targets, more rapid growth rates of state forest output in particular years would be sanctioned.

In summary, in Forestry and Wood Processing we envisage the creation of 22,200 new jobs, 17,000 of which will emerge due to direct State initiatives.

11-The Fishing Industry

Introduction:

The seas around Ireland constitute the richest remaining fishing grounds in Europe. Ireland has the advantage both of being an island state situated on the continental shelf, within the warm Gulf Stream along the West coast. Large spawning grounds of blue whiting on the Porcupine Bank off the West coast have been discovered. The same research vessels have studied the habits of our large shoals of herrings. Equipped with basic research data the international fishing fleets are furnished with sonar equipment for following the shoals and are geared to such thousand of tons of fish in a day's operation. On board are filleting machines. Mother ships service the fleet and take on board the waste fish for use in fish-meal processing. The filleted fish are also returned to base for further processing.

Such a sophisticated approach to fishing should not be condemned. The efficient exploitation of resources provides thousands of secure industrial jobs. Ireland possesses only 1.5% of the gross tonnage of fishing vessels within the E.E.C. We catch 2% of the fish caught in Community waters and a miserable 10% of the fish caught within Ireland's natural 200 mile economic zone. Norway and Denmark catch over 90% of the fish caught in their adjacent waters.

A comparison with Denmark and Norway provides an interesting illustration of the petty nature of the Irish fishing industry.

	Norway	Denmark	Eire
1. Population	3.9m	4.9m	3m
2. Total landings in tons of wet fish	2.7m	1.6m	0.1m
3. Value of landings	£150m	£116m	£10m including salmon.
4. Exports	£240m	£160m	£10.6m
5. (a) Number of boats over 100 tons	418	234	1
(b) Total number of fishing boats	27,000	11,000	2,347
6. Number employed in actual fishing	35,000	15,000	6,500*

*4,000 employed part-time.

Comparison by Percentage to Nearest Unit:—

1. Landings by Weight	Eire	4% of Norway
	"	6% of Denmark
2. Landings by Value	"	7% of Norway
	"	9% of Denmark
3. Exports	"	4% of Norway
	"	7% of Denmark
4. Total of Boats	"	9% of Norway
	"	22% of Denmark
5. Numbers Employed	"	19% of Norway
	"	43% of Denmark

Disposition of Catch 1972. (Thousand Metric Tons). Freezing & Canning

	Total Catch	Marketed Fresh	Curing	further reduction.
Ireland	87.8	32.5	41.8	13.5
Denmark	1142.9	167.9	139.6	1134.8
Norway	3196.3	95.2	762.7	3338.4

Source: 'What Future for Irish Fishermen' by K. O'Driscoll, Irish Fishermen's Organisation, March 1975.

The present backward nature of the Irish Fishing Industry is not just an accident of history. In the 15th and 16th Century Philip 11 of Spain paid £1,000 for exclusive rights to fish our fishing grounds. He was followed by Charles 1 of Holland in 17th century. Later the Swedes and French took control of our grounds until the British developed as a maritime nation. At that time, the peasant nature of Irish Society dictated that our colonial masters should rule our seas. Today, the masters have changed and petty capitalist fishermen with their small boats and anti-union attitudes are waving the green flag over Irish Waters.

As a direct result of the petty capitalist control over the fishing industry, not only is the fishing fleet made up of ill-equipped small inshore fishing vessels, but also 85% of our fish is exported to the processing plants of advanced European countries. Denmark and Norway process 79% and 73% of their catch respectively (by canning and further reduction).

The owners of the Irish fishing fleet are prepared to sell their catch to the highest bidder. Just as in agriculture where farmers constantly break agreement with the Irish Sugar Company and Erin Foods, the owners of the fishing fleet cannot be trusted to honour agreements with fish processing factories.

With the exception of Sinn Fein The Workers' Party, no other organisation has put forward a plan that would advance our fishing industry into the twentieth century.

There is not one individual or private company capable of financing the construction of a large-scale well-equipped fishing fleet which would justify the investment in port facilities, processing factories and ship buildings.

Bord Iascaigh Mhara, have played a major role in the development of the Irish fishing industry. However, their activities have been confined to implementing the ideology of the petty capitalist Fianna Fail party. They have financed the purchase of all the fishing vessels in the Irish fleet. Many of these vessels have been built abroad in recent years. This is because there are no Irish boatyards equipped to build steel-hulled boats. Without a steel hull at least, it becomes impossible to venture out into the deep seas where the international fleets are sucking up the fish before they venture to the spawning grounds inshore.

Bord Iascaigh Mhara employ 320 people in their three boatyards (Baltimore, Dingle and Killybegs). At Killybegs B.I.M. are already building boats in the 70ft — 80ft range. In the next five years they intend to advance into the steel hulled 150ft boat construction. However, at present they are handicapped by having to use their limited funds to finance boat construction in the private sector yards. These yards produce boats in the 30' — 50' range.

The Way Forward:

Our party is not going to join in with gommeen fishermen in the waving of the Green Flag over Irish waters. We do not accept that those who are not equipped to fish our seas have a right to ownership of them.

We are committed to a comprehensive approach to development of the industry.

1. The Department of Oceanography at U.C.G. would be given a Search Vessel capable of

- assessing the fish stocks in our waters and establishing a stock conservation programme.
2. We support the expansion of the Fishery School in Greencastle. We believe that it should be run along the lines of AnCO training centres.
 3. We would implement the recommendations of the Port Development policy of An Foras Forbatha. Immediate investment in facilities is required in the following fishery harbours: Killybegs; Dunmore East; Howth; Galway; Castletownbere.
 4. We would expand B.I.M's boat building facilities to enable them to build large steel-hulled fishing boats. This enterprise would work closely with the National Shipyards at Verolm. The National Shipyards would also construct large modern factory ships to service our new large and modern fishing fleet.
 5. Bord Iascaigh Mhara be made responsible for the coordination and development of a State-owned fishing fleet which would supply the fish processing factories which would be close to the major ports.

A ten year crash investment programme would generate an additional employment of 2,700. The number of jobs provided presupposes a high level of productivity. Therefore the gain in value added would be much greater than the level of employment suggests.

Employment would be permanent, pensionable and at Trade Union rates. At present two thirds of our fishermen are seasonal workers, forbidden by many skippers to join unions and dependent on social welfare for most of the year.

The publicly owned fleet would have a much higher level of productivity with shift work for the crews. At present our boats are tied up while the skipper/owner rests. It is only when the above programme is implemented that our fishing stocks must be protected by quotas and a 200 mile economic zone.

One of the major problems confronting the development of a processing industry is presented by the anarchy of the market place. Privately owned boats will not supply processors when the price on the market is high. Processors cannot develop outputs until certainty of supply or inputs at reasonable cost is guaranteed.

Bord Iascaigh Mhara will have to involve itself in research, training, port development, vessel construction, fish processing and marketing. Investment in each area is profitable for private enterprise and thus should also be profitable for the State.

The repercussions of such a policy would be numerous, and a special boost would be given to the engineering and boat building sectors.

Shell Fishing:

Already the first steps have been taken to ensure that this particular resource might develop in the right direction.

A state sponsored research programme was undertaken by the oceanographic department of University College Galway. At the Shellfish Research Centre at Carna Co. Galway, oysters, scallops, mussels and a variety of other fish are spawned under the supervised conditions. After a period they are planted in the sheltered inlets outdoors. Many technological innovations have resulted from this research. The research centre is also involved in the controlled production of algae, the most important fish food.

As a result of this successful research a state company has been formed (Beirtreach Teo) to develop oyster farming along the western coastline. At present, the limited finance of the Company of £½m has confined it to developing the lab spawning techniques to a routine commercial procedure, developing rafts and other techniques for growing the spat at sea and the identification of suitable sites for farming.

There are also stocks of mussels and scallops around our coast. These could be developed, fished and sold, mainly abroad where there is a high demand for shell-fish. As long ago as

1964 it was estimated that Ireland's oyster production could be increased from its then level of 3m per year to 30m by 1974. But by 1974, under private enterprise we were only producing 3.8m.

Ireland possesses many natural advantages for the development of a successful fish farming industry. It has pollution free waters, which are sheltered and temperate and they are disease-free. Sinn Fein The Workers' Party would encourage the development of the mariculture industry as part of the plan for full employment by 1986.

Sea Weed:

Seaweed is the only commercial source of a group of chemicals known as alginates. These have many industrial uses, for example, for thickening liquids, stabilising emulsion paints and stabilising creams and emulsions in the pharmaceutical, medical and food industries. There are three seaweed factories on the west coast of Ireland. Raw material is exported in its raw state for processing abroad. Sinn Fein The Workers' Party, would expand the throughput of these factories.

Overall, Sinn Fein The Workers' Party would expand the fishing industry so that the vast resources of the sea will be used in a rational economic manner by large modern state-owned vessels sucking up selected stocks of fish for transfer to factory ships and then to port for further processing, and simultaneously boat-building, shell fishing and seaweed processing will occur.

The Basic Points of Our Plan:

1. Ireland has the richest remaining fishing stocks in Europe.
2. The international fishing fleets are in the process of destroying these grounds.
3. The common fisheries policy of the E.E.C. will do little to alter the situation — the German, French, Dutch, Danish and British Fleets will merely be substituted for the Japanese, Soviet, Bulgarian, Spanish, Norwegian and Polish fleets.
4. The Irish fishing fleet has no cause to complain other than for stock conservation. The fleet is small and incapable of fishing the waters anyway. It is characterised by small boats, skipper controlled, anti-union, etc.
5. Research, knowledge and capacity to produce is in the hands of highly developed international fleets. We should not despise them but rather aspire to be like them.
6. We should also examine the nature of the Soviet fleets — vertically integrated into — Research, Production, Processing, Marketing, Shipbuilding, Gear Manufacturing, Port Development etc.

12·Energy

One of the basic targets of our full employment plan is the achievement of national energy self sufficiency by 1986. To achieve this objective it will be necessary to formulate an extremely detailed plan on a sector by sector basis which will determine the growth rates of different sectors in the scale and type of their energy consumption. This plan which will be implemented by the Industrial Planning Authority must of necessity be extremely flexible, being capable of quick adjustment to changes in the supply position of various types of energy. It was for example the lack of any such flexibility in the face of the 1973-4 oil crisis that the Coalition allegedly has been unable to produce any sort of economic plan in the period of its administration.

The table below indicates the scale of our energy imports in 1974 and 1975.

	1974		1975	
	Quantity (Metric tons m).	Value	Quantity	Value
Coal	0.901	£16.611 m	0.696	£15.212 m.
Petroleum	3.172	£122.654 m	2.970	£123.886 m.
Fuel, Oil etc.	2.603	£94.972 m	2.453	£96.552 m.
Gas	0.060	£2.250 m	0.067	£3.794 m.
Total:	6.736	£236.487 m	6.186	£239.444 m.

Unit Value per ton	1974	=	£33.62	
	1975	=	£38.71	+ 15.1%
	1976	=	£44.55	+ 15.1% (est.)

Assuming that inflation of energy prices in 1976 is the same as in 1975 (+ 15.1%), and that the '76 tonnage of imports will regain the 1974 level our total 1976 energy imports will come to £300.09m (7.1% of the estimated GNP for 1976). National energy self sufficiency would turn our chronic balance of payments deficits into permanent surplus (e.g. in 1976 it is estimated that the deficit will be around £160m.). A further indication of the importance of national energy self sufficiency is the fact that if rather than spending £300m on oil, coal etc. imports we spent the money on machinery imports to set up new manufacturing industries we could fund the creation of 15,000 jobs a year (taking £20,000 as the total investment cost per jobs in IDA type projects).

In line with our projected growth of 8.2% the national oil and gas consumption of 5.8m tons will grow, if not substituted by alternative energy sources, by 220% to 12.8m tons. However, with the energy intensive heavy industries that our full employment plan would envisage an even more rapid growth in consumption would ensure leading to a consumption of 15m tons by 1966.

Similarly, electricity output in our plan will grow by 12-14% each year in conjunction with the overall national targets and particularly in view of the rapid productivity growth envisaged in all sectors. In this connection the E.S.B.'s 7 year development programme 1974-1981, now largely shelved for the past two years will be given the green light as an

indeed supplemented by additional projects.

The E.S.B. Plan for Energy Production 1976–1986.

In the area of oil and gas the ESB will be given the powers to explore for and exploit the substantial oil and gas deposits off our coasts. In particular the ESB shall be encouraged to develop "marginal" fields which the oil companies find unprofitable but which would be profitable for the national economy which has vastly different profitability criteria.

Those who, like our so-called "socialist" Industry and Commerce Minister Keating, believe that the E.S.B. should not, and cannot, do the job need look no further than the history of the Italian State Oil Company — ENI for refutation of the absurd proposition that the only organisations capable of developing offshore oil and gas (a relatively unsophisticated industry in technical terms) are the Rockefellers and B.P. The Italian ENI, as has been well documented in a film screened by the Resources Protection Campaign and in Dublin cinemas **The Mattei Affair** was founded by a determined public servant Enrico Mattei, after World War 2 with no other resources than a series of geological reports indicating natural gas deposits in the Po valley — a far cry from the massive engineering and other technical resources of the 14,000 strong ESB. Enrico Mattei was assassinated in 1962 by agents of the same oil companies at whose feet Justin Keating grovels today, yet today ENI, the Italian State energy company stands as a memorial to Mattei's ideal — the proposition that a small country, through its State Companies, can exploit and develop its resources in the teeth of the most vicious opposition international imperialism can muster.

The development of our oil and gas resources is not however an immediate process and therefore the time period on developing our petroleum and gas reserves to supply domestic oil refineries will of course be relatively long. Thus, the target for national energy self sufficiency is set for 1986.

At the present the only oil/gas development scheduled to come on stream is Kinsale, which, at full production in 1978-9 will replace 15-20% of present national oil/gas imports. The earliest date any new finds will be discovered is 1977-78, and given 5-7 years in bringing fields on stream native oil/gas supplies will not be available until '82-'83. At the same time our plan envisages the expanded role of the state in exploration and development of oil. To process our oil production the full employment plan envisages the construction of a new 13m ton p.a. State oil refinery which will by 1986 provide 1,000 new jobs. Such production capacity by 1986 will only be coming on stream, thus, the enormous downstream petrochemical industry opportunities that our offshore hydrocarbon deposits offer cannot to any great extent occur in the period 1976-86. The development of a domestic petrochemical industry producing organic chemicals, plastics, resins, synthetic textiles, rubbers etc. will occur in the post 1986 plan.

Overall, the oil/gas production-exploration-processing plan in the 10 years 1976-86 will create 5,000 jobs.

In general, the principal features of the National energy policy should be to place a relative reliance on the use of fossil fuels in the 20 years to come. This is based on the thesis that, by the end of the century, through technological progress it will be economically possible to exploit renewable resources of energy such as wave (not tidal) power, solar energy etc. At this stage fossil fuels will be relatively less economic than they are at present. Thus, pending the development of these renewable sources to which our plan would denote massive R & D expenditures the development of our fossil fuel potentials should proceed at full steam.

Above, we have outlined the desirable development of our oil and gas resources (for a fuller and more detailed account of Sinn Féin The Workers' Party's policy on oil and gas see **The Great Irish Oil and Gas Robbery** published in September 1974 by the Economic Affairs Dept.

Sinn Fein The Workers' Party, 30 Gardiner Place.)

As part of our plan to expand the ESB's electricity output to over 300% of its present level we envisage, as part of the national balance of payments policy, to rely as much as possible on domestic fuel sources. There will be a great expansion of peat production by Bord na Mona. Therefore the 1976-86 plan for full employment would envisage Bord na Mona being allocated funds to commence a new 4th Development Programme to run concurrently with the 3rd Development Programme which the Bord is now implementing.

The Bord na Mona Plan for Peat Production 1976-86:

Bord na Mona today is a shining example of how state enterprise can build up our economy in an outstandingly profitable and efficient manner. It is a good example of the potentials of state enterprise since, because of the nature of the sector it is involved in, it is hampered to a minimal extent by the private enterprise activities of small scale profiteers as is CIE and the Irish Sugar Company (e.g. the private freight hauliers and the beet and potato growers).*

Today Bord na Mona's turf production, in energy equivalent terms, represents 660,000 tons of oil a year — representing a balance of payments saving and addition to the GNP of £30m. This, the Bord produces from its 75,000 acres of bog now in production employing 3,500 workers.

Our national untapped bog resources are estimated by geographers at 700,000 acres of which 10% is now being exploited by the Bord. At present Bord na Mona is implementing its "3rd Development Programme" which envisages the opening up of 40,000 further acres and the addition to output of the equivalent of 350,000 tons of oil a year, representing an annual balance of payments saving of a further £15m.

Our full employment plan envisages as a matter of immediate urgency the initiation of a 4th development programme to create jobs in the short term and to avert any worsening of the balance of payments due to the expansion of the economy in other directions resulting in a reduction in oil imports. Due to the ideal opportunity presented to us in the expansion of the turf sector we would envisage an opening up of a further 300,000 acres, which on average should yield an additional output of turn equivalent to 2.6m tons of oil. Thus, by the middle part of the plan (around 1980-81) Bord na Mona should be producing an amount of turn equal to 3.5m tons of oil (more than half our present oil imports). These developments, along with the Kinsale Gas field development should enable the ESB to become 100% self sufficient in native energy sources for electricity production.

The expansion of employment — Bord na Mona will be substantial — the current 3rd Development Programme will see an addition of 1,700 to the company's present employment level of 4,500. The 4th Development Programme would see the creation of an additional 10,000 jobs at least, giving by 1986, a Bord na Mona with a massive workforce numbering in excess of 15,000 by contrast with today's 4,500.

Bord na Mona and the Short Term Programme to create Jobs:

Because of the ready availability of our national bog resources (unlike oil and gas), and because of the predominance of alternative energy sources in the future (including oil and gas) the speeding up of Bord na Mona's 3rd Development Programme and the immediate initiation of a more extensive 4th programme shall play an important part in Sinn Fein's The Workers' Party (short term) programme to fight unemployment and get us out of the economic crisis.

The capital cost of Bord na Mona's current programme is running at £57 million of which the 3rd development programme is accounting for £28m. On the basis of the costing of the present development the additional cost for the new expansion of activity will be approximately £100 million. The beneficial economic impact of this in the context of our short run

needs is outlined in the section detailing Sinn Féin The Workers' Party's crash plan.

In addition to turf development Bord na Mona will be encouraged to assume responsibility for the development of our national coal resources. Existing reserves and deposits shall be economically assessed and Bord na Mona enabled to develop all profitable prospects. This could, for example, result in the recovery of the many coal mining jobs lost in Ballingarry with the closure of the mines there.

13·Plastics

This sector, in which 17,000 were employed in 1976, is a balancing sector which includes all miscellaneous industries and certain large scale manufacturing sectors, such as rubber products and oil refining, for the C.S.O. does not wish to publish separate statistics. This is because such publications would reveal information about the operation of individual companies. The lack of detailed sectoral information for such a large sector is a serious matter, but, in the absence of sufficient detail, our approach has been to assume that the growth will be in excess of the national output growth (which it has been in the past) and assuming average productivity growth, we derive an estimate of how much employment would grow in the years up to 1986 consistent with our national industrial targets.

Plastics has been one of the world's fastest growing industries since 1930. This growth is due to its versatility in replacing both natural and manufactured products from wood to copper piping. The OECD have shown that there is a significant relationship between a country's use of plastics and the growth rate of its GNP. In Ireland, less than 7,000 people are employed in the Plastics industry.

The gombeen nature of the so-called Irish Plastics industry was first analysed by Sinn Féin The Workers' Party, in **The Great Irish Oil and Gas Robbery** (Chapt.6), published in 1974. The low skill content of Irish workers in this sector reflects the primitive nature of the industry under the management and control of the penny-pinching gombeens. Their refusal to invest has resulted in the industry passing into the hands of international monopolies with the local capitalists being well rewarded for keeping it underdeveloped.

Comparative Level of Skills in the Plastics Industry

	Ireland		United States
Skilled	20%		60%
Technicians	7%		14%
Semi-skilled	49%	} 73%	12%
Unskilled	24%		14%
	100%		100%

Although there are over 150 firms engaged in plastics in the Republic over half of total output is accounted for by the top ten companies:

The Ten Largest Firms in the Irish Plastics Industry

Name	Produce	Owned By
Wavin Pipes Ltd.	PVC Pipes	Royal Dutch Shell
Irish Plastics Packaging	Plastic Film	Metal Box Co.London.
Mayco Ltd. Ballina.	Plastic Toys	Irish interests.
Irish Industrial Mouldings	Mouldings	A.Guinness,London.
Star Plastics, Cavan.	Containers	A.Guinness,London.
Goulding Plastics	Plastic/Film	Fitzwilton.
O'Brien Plastics	Pipes	Philips Petroleum Co.
Erin Peat Products	Plastic	Keyes Fibre Co.U.S.A.
Greenore Plastics	Sheeting	Austrian Interests.

Table cont.

Name	Produce	Owned by
Gernord Ltd.	Floor Tiles	Gerland Chemicals France.

Until recently the Irish plastics industry was almost completely dependent for raw materials on monopoly suppliers in Britain. But the trend towards American penetration of Irish manufacturing industry in general is reflected in the plastics industry with the arrival of American companies:

Devlon Corporation, Massachusetts	—	Shannon
GAF Corporation, New York	—	Mullingar
M & O Plastics, New Jersey	—	Limerick
Taconic Plastics, New York	—	Mullingar

The activities of the existing companies in the plastics industry are confined to relatively simple processes such as moulding, blowing or extruding plastics into simple sheets such as pipes. Ireland's first sample of what a real plastics industry would look like will be in the manufacturing process used by GAF for producing several varieties and designs of high quality vinyl flooring for which there is an expanding world market. The incorporation of this process into an integrated plastics industry based on one actual and potential natural gas supplies has been the policy of Sinn Féin The Workers' Party since 1973 and more recently, has become part of the ICTU's overall policy for using our natural resources to achieve the maximum number of jobs in Ireland and highest levels of added value.

The construction industry represents the single biggest market for plastic products. The already weak Irish plastics industry has been badly hit by the slump in the building industry. Our plan for the expansion of the construction industry will result in an increase in demand. More importantly, this demand will grow at a planned rate so that growth in the plastics industry can be planned to meet it and not be subject to the whims of lumpers, property speculators and bankers. The use of plastics in the construction industry will be developed within the perimeters of our longer-term plans for timber usage when our forests come on stream.

The expanded agricultural sector will also provide an increased demand for plastic products, e.g. roofing, piping, tanks, containers etc., as will the expansion in horticulture, e.g. packaging, storing etc. The increased packaging etc. requirements of the food processing industries will be met largely from the plastics sector.

At present the packaging industries make up the second largest category of consumers of plastic products. The increased production and consumption of fertilisers, turf, cement etc., will result in increased demand in this category.

The present over capacity in the moulding industries which produces components for industrial and domestic products will disappear as the industrial revolution develops. An expanded, modernised, high-technology moulding industry will be necessary to meet the needs of an industrial Ireland.

The "short-time", "single-shift", "alternate weeks" working pattern which has been the dominant feature of the gombeen plastics industry operating at about 60% of plant capacity will disappear in the early stages of the industrial revolution.

Of course, in arriving at a detailed plan for the companies in the sector, Sinn Féin The Workers' Party, would derive detailed sectoral targets, and would rely on the state companies to attain the set objectives. In line with the national output and productivity trends projected in the Full Employment Plan, employment will increase in the sector by 15,800 to 32,800 in 1986.

14·Transport

Transport, which in 1976 employed 65,000 workers, includes, for the purpose of our definition, both communications and storage. It is the policy of Sinn Fein The Workers' Party in the Full Employment Plan to allocate the responsibility for expansion of the quality and volume of national transport services to five companies, in three sectors:—

- (a) (1) C.I.E. — Road freight, Rail and Public Transport.
- (b) (2) Aer Lingus } Air Traffic
- (3) Aer Rianta }
- (c) (4) Irish Shipping } Maritime transport
- (5) B & I }

By unfettering these companies (particularly C.I.E.) from the myriad obstacles established by the anti-worker Fianna Fail and Coalition governments, our policy shall be to promote the expansion of these companies by setting high standards of quality and productivity so that the petty gombeen enterprise that proliferates in the transport sector will be eliminated by competition from the superior state enterprises providing a better and cheaper service.

Road & Rail Transport:

Volume of production will grow by 220% in the period of the plan (in line with annual GNP growth of 8.9%). This will mean that there will be many more goods to be transported. At the same time the Planning Authority will establish an annual productivity growth target for C.I.E. of 6.0% per man year, which in conjunction with the reduction in the average work week envisaged in the plan, will mean an annual average improvement in man hour productivity of 7.35% (slightly more than a doubling). This could for example, incorporate the introduction of one-man buses in urban areas and the commencement within the period of the plan, of a sub-way system in Dublin which would be one of the most modern in the world. As we have seen in the section on engineering, there will be a tremendous growth in the demand for transport equipment by C.I.E. (for a sub-way and for productivity and output expansion). The subway trains and locomotives required for the transport plan will be constructed in C.I.E.'s expanded engineering works at Inchicore.

Even with the high productivity growth targets in the transport sector employment in C.I.E. will grow substantially, contributing to the planned expansion of 15,000 jobs in Transport, Communications and Storage.

Sea & Air Transport:

It is Sinn Fein The Workers' Party's objective that 50% of the expanded trade and overseas travel traffic should be carried by the State carriers Aer Lingus, B&I and Irish Shipping. This will involve a great expansion of the fleet of Irish Shipping in particular. Furthermore it is proposed that the ships, bulk carriers and ferries required, should be constructed at the National shipyards in Verolme in Cork. We propose, by means of the backup provided by the basic steel and metallurgical sector and the enhanced productivity, will begin to become as competitive as the Japanese shipyards in the production of the ships we require. It is also proposed that the advanced servicing capacity that Aer Lingus has already established be developed and expanded in the period of the plan.

Overall, the transport system will be rapidly modernised particularly with a view to

enhancing economic growth through reduced transportation costs for freight.

Communications & Storage:

Sinn Féin The Workers' Party's employment plan in its emphasis on a rapid growth in investment envisages a commensurate increase in expenditure on telecommunications and the postal services. It shall be the responsibility of the Department of Posts & Telegraphs to effect the objective of planning a modern telephone and postal system in the country. In line with this task, it shall be the Department's task to expand its telecommunication operations into areas dominated by private enterprise, — e.g. the installation of internal telephone systems, traffic systems, maintenance etc. Further the Department will be encouraged to expand its relationship with existing manufacturers in the country of telecommunications equipment with a view to enhancing the engineering capability of the Department.

Overall, in line with the national growth targets, and the specially high productivity targets set for the Transport, Communications and Storage sector employment in the period 1977–86 is projected to grow by 15,000 from 65,000 to 80,000.

15-Textiles

Clothing, footwear and textiles are commonly known as “traditional” Irish industries. This means that it has been a tradition for small Irish capitalists to exploit a few workers in Small Sweat Shops. These industries are now in rapid decline in the face of foreign competition which is cheaper because it is produced on a larger scale. Sinn Fein, The Workers’ Party, plans to maintain the numbers employed, in better conditions of course, in clothing, but to increase the numbers employed in leather and footwear. Employment at the beginning of the Plan period in this sector is as follows:

Sector:	Employment 1976
Traditional Textiles:	8,000
Synthetic Textiles	4,400
Clothing & Hosiery	20,800
Made up Textile Goods	1,000
Tanneries & Fellmongery	1,500
Footwear & Leather Manufacturers	<u>4,600</u>
	40,300

These industries — Textiles, Clothing and Leather — are the most traditional of all Irish sectors. In the ‘30’s, ‘40’s and ‘50’s behind the protective barriers of the Petit Bourgeois De Valera Governments, many small Irish owned sweat-shops and manufacturers, were set up. Today while the sector is more and more dominated by foreign owned factories, particularly in textiles, the larger Irish gombeen influence represented by firms such as Sunbeam Wolsey continues.

The current crisis of capitalism, which has occurred since 1974 has given the death blow to many of the traditional Irish owned firms in the sector, with the result that the massive drop in employment in the sector which has occurred since 1974 has been largely in these Irish owned companies. The death throes of Irish Capitalism in the Clothing and Footwear industries has resulted in extremely high unemployment in the industry. This, combined with the fact that the heroes of Irish private enterprise have used the fact that female labour predominates in the industry, to drive down wages in the sector. As a result, the average weekly earning (including overtime of workers in clothing and footwear in early 1976 was half the average industrial wage.

The weakness of the workers in this sector has continually been used by the gombeen capitalists of the F.U.E. to cast a mill around the necks of workers in other sectors and to hold down the living standards of the Irish Working Class as a whole.

In our plan for full employment we have divided the industry into 2 sectors — Leather and Footwear which, we propose, should be expanded by the development of a leather producing capacity in the country which would be 9 times the present level by 1986. In Textiles and Clothing, our objective is to develop productivity so that the jobs in the area will become secure jobs by 1986. Due to this, we see no significant expansion of employment in this area.

Leather & Footwear:

In our plan for beef production we have projected that the cattle kill will be increased from

the present level of 1m animals per annum to 2m per year. Of this throughput, only 250,000 hides are available for processing. On the basic projection that 2m will be available for processing, we project that output of leather, a highly valuable national resource product, will increase by 9 times. It is our proposal that leather production will grow by this amount, but with productivity growing by 5.6% per annum, additional employment in the tanneries will increase to 9,000 from 1,500 in 1976.

Utilising this supply of leather as much as possible we propose that the footwear and leather products industry will grow basically in line with the projected growth in national consumption under the plan of 6.2% p.a. — with a productivity greater than the manufacturing average employment is planned to grow by 3,200. This growth will be accompanied by an industrial rationalisation programme for the big footwear factories under the initiation of the I.P.A. and this shall be a major factor in obtaining the targeted productivity improvement rate.

Clothing & Textiles:

Synthetic textiles, a downstream development of petrochemicals, cannot really boom until we have established our own petrochemical industry. This however cannot occur during the period of the Full Employment Plan but should be a feature of developments in the late 1980s and early 1990s.

In the interim, proposals have been made (by the CII most notably) that extremely rapid expansion in Textiles employment in Ireland should occur. How this should happen, they suggest however, is by utilising the Irish Working Class in the industry as a source of cheap labour power to supply the European market and leave the gombeens with a higher rate of profit, — simply a variant of the "labour intensive" policy much loved by the petit bourgeois economists. We in Sinn Féin The Workers' Party reject the concept of Ireland as the Taiwan of Europe and propose instead a maintenance of existing employment in textiles while embarking on a massive investment plan in the clothing industry.

This investment plan will have the result of satisfactorily raising the industry above its Sweatshop Status and strengthen the position of the workers in the sector and at the same time raise wages and conditions at an unprecedented rate. The IPA should be given all necessary powers to ensure that the firms in the sector will comply with the development targets for the industry.

The growth in output in Textiles and clothing will be in the region of 6½% p.a. consistent with the national target for consumption. With the required annual productivity growth of this level at least each year no additional employment will occur, but the jobs of the 40,000 workers in the sectors will be immeasurably more secure.

To summarise, employment growth will be:—

	1976	1986
Textiles, Clothing, Hosiery & Made up Textile Goods	34,200	35,300
Tanneries & Fellmongery	1,500	9,000
Footwear etc.	<u>4,600</u>	<u>7,800</u>
	40,300	52,100

An addition of 11,800 jobs — principally on account of the growth in leather production.

16-Chemicals

In 1976 the chemicals industry in Ireland employed under 10,000 people. We plan to double employment by 1986.

The 1976 employment in chemicals was made up as follows:—

Sector:	Employment
Fertilisers:	2,300
Oils, Paints etc.	1,500
Chemicals, Drugs, Detergents.	<u>5,800</u>
	9,600

Fertilisers:

In the full Employment Plan, due to the projected growth in food production and the role of fertilisers as an investment good, fertiliser output is projected to grow by 14% per annum, or 370% over the period of the Plan. Today, the sector is highly concentrated for example, N.E.T. the State Chemical Company, is responsible for the production of all nitrigeneous fertilisers and Gouldings is responsible for the greater share of phosphatic and Potassium fertilisers. In addition there are two other large companies — Albatros Fertilisers and Grassland.

Today, due to the financial collapse of the Fitzwilton Empire which is extensively documented in our pamphlet **Tony O'Reilly's Last Game** 531 former Gouldings workers in both Dublin and Cork find themselves redundant in an industry which, if the planned targets of our full employment plan were implemented, would find itself with extensive undercapacity. The Gouldings disaster was due to a two pronged reaction (a) the need for the native capitalist masters of Fitzwilton to realise their debts to the Banks by selling off Gouldings' assets, and (b) the response of farmers, who in the two years 1972-74 reduced their potassium and phosphate fertiliser consumption by 40 to 45%. This temporary situation and the lack of a proper state planning and productive ability in industry, has resulted in the virtual death of this industry.

Sinn Fein, The Workers' Party policy in this matter is to nationalise Gouldings and have it taken over by N.E.T. to expand phosphate and potassium production in line with the plan targets. On the other hand, the IPA will implement an appropriate tax policy to ensure that farmers will never again reduce fertiliser consumption in such an irresponsible and damaging manner as in 1974-5. In line with our output and productivity targets for P K fertilisers in the period of the plan, the redundant Gouldings workers of Dublin and Cork will not only regain their jobs but employment will expand by a further 500, at least. Additionally to the revival of P & K fertiliser production by NET, the company will be encouraged to explore for, and develop native deposits of phosphates, for example, the Co. Clare phosphate deposits.

With the further expansion of nitrogen fertilisers by NET utilising the Kinsale natural gas deposits and further gas deposits, and the additional growth of fertiliser compounding activities overall, we envisage an expansion of employment in fertilisers by 3,300 to 6,600 in 1986.

Oils, Paints etc:

With an expansion of output in this sector consistent with the national investment and productivity targets, employment should grow by 2,100 to reach 3,600 in 1986.

Chemicals, Drugs, Detergents etc.:

The greater part of the employment in this sector is in firms which have established export-based factories in Ireland to avail of the profits tax-relief on exports granted by the State. Examples are such firms as Pfizer, Werck Sharpe & Dolime, Syntex etc. It is Sinn Fein The Workers' Party's policy to maintain amicable relationships with these firms and to honour previous fiscal and financial commitments made to them. A vigorous policy, however, will be pursued to link in these companies with the national economy. This will particularly occur in the raw materials area. An example would be the potential of enzyme substrate by-production by the Irish Sugar Company as a raw material for the Pfizer organic chemicals plant in Cork. Further examples are pharmaceutical agriculture — e.g. production of herbs etc., and the potential by-production of raw materials for antibiotics from the meat processing industry. The responsibility for initiating and establishing productive initiatives during the period of the plan would be that of An Foras Taluntais.

In line with the past high growth performance and the potential of further state initiatives in chemical production (e.g. such activities as Foras Taluntais would be engaged in above, and the potential of e.g. Sulphuric Acid production as a by-product of zinc smelting) we envisage an additional 5,800 jobs being created in Chemicals, Drugs etc., to bring employment to 11,600 by 1986. Overall, it is planned that employment in the industry would grow from 9,600 to 20,400.

17-Construction

Historically, the building industry has been dominated by hundreds of small "get rich quick" profiteering companies specialising in the speculative building of shoddy housing schemes, and, more often than not employing workers by means of the pernicious "lump" system. These small scale gombeens have particularly found their home in the Fianna Fail party, but increasingly in recent years have gravitated towards the Coalition as the locus of power. Currently employment in the industry is broken down as follows:

Sector:	1976/77
Public Sector:	<u>16,500</u>
of which: Local Authority	14,000
Office of Public Works:	2,500
Private Sector:	<u>52,000</u>
Total:	<u>68,500</u>

The public sector, which employs 24% of workers in Building and Construction exists because of the unavoidable necessity for a certain limited degree of planning of the sector's contribution to the economy, e.g. the development of the Roads system which the private sector with its sole objective of private profit could not be entrusted with.

As the anti-worker ideology, frequently put forward by the private sector gombeens "Construction Industry Federation" indicates, some of Ireland's most reactionary small capitalist elements have found their niche in the building industry where they feed on the vast reserve of unemployed workers who, to survive, must accept some of the worst wages and conditions experienced in the whole of the capitalist system of this country.

Unlike the public sector, most workers in the private building sector have no job security, no on-site canteens, no pension or social welfare provisions and a wage level — in mid 1976 that is below subsistence level.

In mid 1976 the weekly pay (accordingly to the Building Workers Trade Union) of general operatives was £40.00 per week, and, for skilled operatives £44.00 per week. To underline the exploitation practiced by the building sector gombeens let us see how, in the example below, a building worker could survive if he were to buy one of the houses he builds during a year's work.

In 1976 a private sector building worker, on average builds an £8,000 house in 40½ weeks (Dept. of Local Government figures). Let us see how a building worker, if he were to attempt to buy one of the houses which he builds every 10 months, at prevailing mortgage rates would fare:

	General Operative	Skilled Operative
Gross Weekly Pay	£40.00	£44.00
Tax Free Allowance *	£28.50	£28.50
Stamp & Pay Related	2.64	2.64
Income Tax	<u>2.35</u>	<u>3.41</u>
Take Home Pay	£35.01	£37.95
90% Mortgage/Interest @ 14% p.a.	£19.38	£19.38
over 20 years/ Principal	<u>6.92</u>	<u>6.92</u>
Income after house	£8.71	£11.65

*Married man with a wife and 2 children.

Thus, over 20 years a married man, if he were to buy an £8,000.00 house would have to clothe, feed, educate himself, his wife and children on £8.71 if he was a general operative (e.g. a crane driver), or £11.65 if he was a skilled operative. Twenty years of virtual starvation to buy an £8,000 house, — twenty years in which he would on average have built 25 houses — 24 of which he would have donated free gratis and for nothing to his sweaty greedy exploiters of the Construction Industry Federation, and one of which he would have paid for himself by years of toil and effort, on £8.71 or £11.65 per week.

To improve the conditions and strengthen the position of workers in the construction sector, and indeed in all sectors, the first thing that must be done is to abolish unemployment. To do this the building and construction industry will, in the full employment plan, be expanded by 2½ times its present level. The expansion of the construction sector will be rapid due to its crucially important significance as an investment good. The expansion of the sector will be in line with the national investment target of 14% per year, and consistent with the large proportion of the industry's output that consists of housing and other consumption goods, projected in the plan to grow by over 6% a year the annual rate of growth of the sector should be approximately 10%. Most of the growth of the construction sector will be in investment to lay down the infrastructure for our broad economic advance and to build factories to contribute to the growth in industrial output. Thus, the job creation in building and construction will largely be jobs to create jobs. The plan for building and construction will see particularly rapid advances in industrial, mining and forestry construction, roads and sanitary services, ports, particularly the development of Cork Harbour, Dublin Docks and the Shannon Estuary, hospitals, schools and food production.

The planned advance in the national construction development programme will, we envisage initially be carried out by means of the public sector agencies engaged in building and construction today, under the direction of the Industrial Planning Authority. This today includes the office of public works, the Local Authorities, the I.D.A., SFADCo., the N.B.A. etc. Within a few years the various public sector agencies engaged in construction will be merged into a streamlined National Construction Company, which will carry out all aspects of building from the actual construction, siteworks, design, architecture, engineering etc. The initial impetus to the development of the State Construction Company will be the placing of state contracts for building work with the public sector building agencies rather than, as at present, farming them out among the gombeen building contractors and fly-by-night speculators. For example, building of schools and hospitals under our health and education programmes would be carried out by the public sector.

The great advantage of the impetus for construction development being in the hands of the State Construction Co. will be the rapid advance in productivity that this will ensure. Planned procurement of materials on a regional basis will enable better planning of output in the Building materials sector and eliminate waste. The existence of a large state company will ensure the speedy introduction of the most advanced techniques and indeed will facilitate the emergence of an advanced research and development function within the sector which, as a result, will result in more rapid productivity growth and quality in Irish building and also will result in spin-off manufacturing ideas for our building and materials sector. Our State Construction Company could then become an exporter of technology and also contribute to the export development of our building materials industry, just as in the past, under the inhibiting influence of private enterprise governments, the Irish Sugar Company and Bord na Mona have pushed out the frontiers of international technology in their own particular sectors. Also, with the existence of massive engineering, design and architectural departments in the State Construction Company the quality, both technical and aesthetic, of the buildings of the 1980's will advance greatly while providing hundreds of jobs for many of our young

unemployed designers, architects and engineers.

With the emergence of the State Construction Company unemployment among building workers will disappear and the United Working Class in the whole sector, both public and private, will be enabled, from a position of strength, to move forward from job security to higher wages growing at a rate of 6% per year (take home pay), better working facilities with on site canteens and other facilities. Above all the Construction workers will have the knowledge that one's life's work is going towards the advance of the working class and the building of the Irish Workers' Republic rather than the enrichment of a philistine class of sweaty contractors who provide the backbone of Fianna Fail, Fine Gael and contribute to the irreparable corruption of the Labour Party.

With the implementation of our plan for construction development by the new State Company output in the 10 years to 1986 will grow by 260% and, because of the envisaged rationalisation in the Industry and emphasis on new modern techniques productivity will grow at the unprecedented rate of 5% per person employed per year. While the greater part of growth in construction will occur in the public sector we envisage that the private sector will in terms of numbers employed, remain at approximately its present level. Thus, for productivity and output expansion to grow for the large private sector firms such as Sisks, McInerney's and Abbey, they must take business of the smaller gombeen contractors who are more inefficient. This process will ensure the progress of productivity within private building.

Thus, as a result of our plan for Building and Construction employment in the period 1977-86 will grow as follows:—

	Employment 1976-77	Employment 1986
Public Sector	16,500 + 43,500	60,000
Private Sector	52,000 + 3,000	55,000
	68,500 + 46,500	115,000

So by 1986 we should have more than half our building workers in the State Company, and, in the private sector, with state support, the large private firms will have virtually eliminated the speculator. From this position we shall advance into the late 1980's and '90's.

Building Materials:

Many building materials are imported — e.g. timber and its products. Others are produced in the plastics sector. (e.g., Wavin Pipes), and in the Metal Trades Sector e.g. (Structural Steel Work). In the sections dealing with these manufacturing sectors the required growth in building inputs will account for greater or lesser proportions of the expanded output under the full employment plan. In this section we examine two sectors which are fundamentally linked to the growth of the building industry, (a) Quarrying and (b) Cement & Concrete (and its products). Today, these sectors are dominated by one company — Cement Roadstone Holdings — which, by virtue of its monopoly of Irish cement production can call the tune as it wishes in the Concrete and Cement product sectors. In achieving the plan target for this role Cement Road Holdings will play a central role. By virtue of the massive amounts of state financial aid extended to Cement Roadstone Holdings to finance the immense new expansion of cement capacity at Platin near Drogheda, and by virtue of the fact that the State, through the I.D.A. now owns a minority percentage of Cement Roadstone Holdings shares, its corporate plans in the period 1977-86 will be dovetailed, under the direction of the I.P.A. with the national plan for the sector and the plan for expansion of the State Construction Company.

Quarrying:

This principally involves the raising of limestone which is the basis of cement. Resources of limestone are virtually limitless in this country, so the expansion of quarrying capacity, of 1½ times and which we envisage in the plan will be possible. With such an expansion of output (10.1% p.a.) and a parallel increase of 4.8% in productivity per annum employment in the sector will grow by 5.1% on average per annum from 3,800 to 6,300.

Cement and Structural Clay:

Parallel to the growth in the output of the construction sector cement and structural clay production will grow by 10.1% per annum with an annual increase in sectoral productivity of 4.3% per employee employment will grow by 5.6% per annum from 6,500 to 11,200.

18·Education

The NESC in its document "Population Projections 1971-86: The Implications for Education" has projected school enrolments by 1986 as follows:

	1971	1976	1986
1st Level:	526,700	548,300	653,800
2nd Level:	208,200	267,000	284,500
3rd Level:	26,200	33,600	49,200*

*Sinn Fein The Workers' Party Estimate based on projection of NESC estimated percentage growth 1976-81.

We made the projection of 49,200 students in 3rd Level Education in 1986, because the high population projections of the NESC will probably be reached because of the fall-off in emigration and because of full employment. Sinn Fein The Workers' Party's programme envisages that there will be great opportunity for good secure and well-paying jobs for all graduating students, in stark contrast to the total neglect of this group by the Coalition regime.

Our plan, calls for a national drive to improve the quality of education at all levels. This will require:—

1. An improved allocation of resources to schools and third level educational facilities;
2. Grants for all 3rd level students;
3. The improvement of teacher training and most notably, a vast improvement in the pupil/teacher ratio in schools. This reduction in the pupil/teacher ratio will most notably occur in primary schools wherein the policy objective of achieving the present pupil/teacher ratio of secondary schools, will be established.

The table below shows the estimated breakdown of educational employment in 1976.

		Employment 1976	Pupil/Teacher Ratio
Primary Level:	Teachers:	18,066	30.35
	Others:	<u>510</u>	
	Total:	18,576	
Secondary Level:	Teachers:	18,295	15.54
	Others:	<u>3,039</u>	
	Total:	21,334	
Third Level:	Teachers:	4,767	7.30
	Others:	<u>3,135</u>	
	Total:	7,902	
Total:	Teaching:	41,128	
	Others	<u>6,684</u>	
	Total:	47,812	

Based on the expected expansion of enrolments and the reduction of the primary pupil/teacher ratio to the level of secondary schools (15.54), the projected employment — education in 1986 will be as follows:

19-Metals & Engineering

Principles of the Plan:

Two of the primary principles of our plan for an industrial revolution are:

(a) The necessity to orientate our economy more towards investment than consumption. This is because we must invest to create jobs that will provide opportunities to our expanding labour force. It also means that we must create machine and investment goods providing industries that will supply the market that will emerge as a result of our Full Employment plan. If we do not our job creation plan will suck in imports on a massive scale, our balance of payments problem will disimprove, and in short, our national independence in the financing of full employment will be impeded.

(b) The necessity to continuously reinvest in existing industry so as to increase output per worker by installing new machinery etc. This will be essential to increase the security of our existing workers' jobs, and to ensure the continuing progress of real wages along the lines envisaged by our targets for consumption growth. The alternative of low productivity industry protected by gombeen tariff barriers means (i) that workers' wages must be kept low so as to ensure that goods produced are relatively competitive, and (ii) that, in any case, workers' jobs will remain insecure, because, behind the tariff barriers there will always lurk more competitive industries.

In setting an "annual investment" growth target of 14% an immense new home market for plant and equipment will develop. It is an objective of the plan that the highest percentage possible of the investment goods of an engineering nature required by the plan will be produced in this country. The objective then will be to overcome the initial balance of payments problems associated with the new commitment to growth. This however must be subject to the proviso that the products of the metal and engineering sector will be fully competitive with imports, in other words, that the Irish produced machines and equipment will be fully competitive with imported products.

The means by which this will be ensured according to our policy is by:—

(a) Developing a high productivity basic metals industry, — notably an efficient zinc/lead smelter with similarly efficient subsidiary operations such as die casting, galvanising, and rolling, and notably a high productivity steel industry producing steel at more competitive rates than any of the existing European steel industries, and indeed, the Japanese Steel industry, which is the most efficient in the capitalist world.

(b) Investing substantial resources in research and development of machinery — particularly in equipment which is specially developed for the development of resources predominant in Ireland — mining, oil and gas, the building industry, agriculture, forestry and marine industries.

Springing from these principals we envisage a massive growth in the output of the metal and engineering sector in the 10 years to 1986. An increase of over 2½ times in output will be feasible, consistent with the massive growth in investment required to achieve full employment, higher productivity, and increased living standards

Today, employment in the Metals & Engineering sector is as follows:

	Employment 1976—77
Metal Trades	15,000

		Employment 1986
1st Level:	Teachers:	42,072
	Others:	<u>1,188</u>
		43,260
2nd Level:	Teachers:	19,627
	Others:	<u>3,261</u>
		22,888
3rd Level:	Teaching:	6,747
	Others:	<u>4,437</u>
		11,184

The resulting expansion of employment in education is summarised in the table below:

	1976	Change	1986
Teachers:	41,128	+ 27,318	68,446
Others:	<u>6,684</u>	+ <u>2,202</u>	<u>8,886</u>
Total:	47,812	+ 29,520	77,332

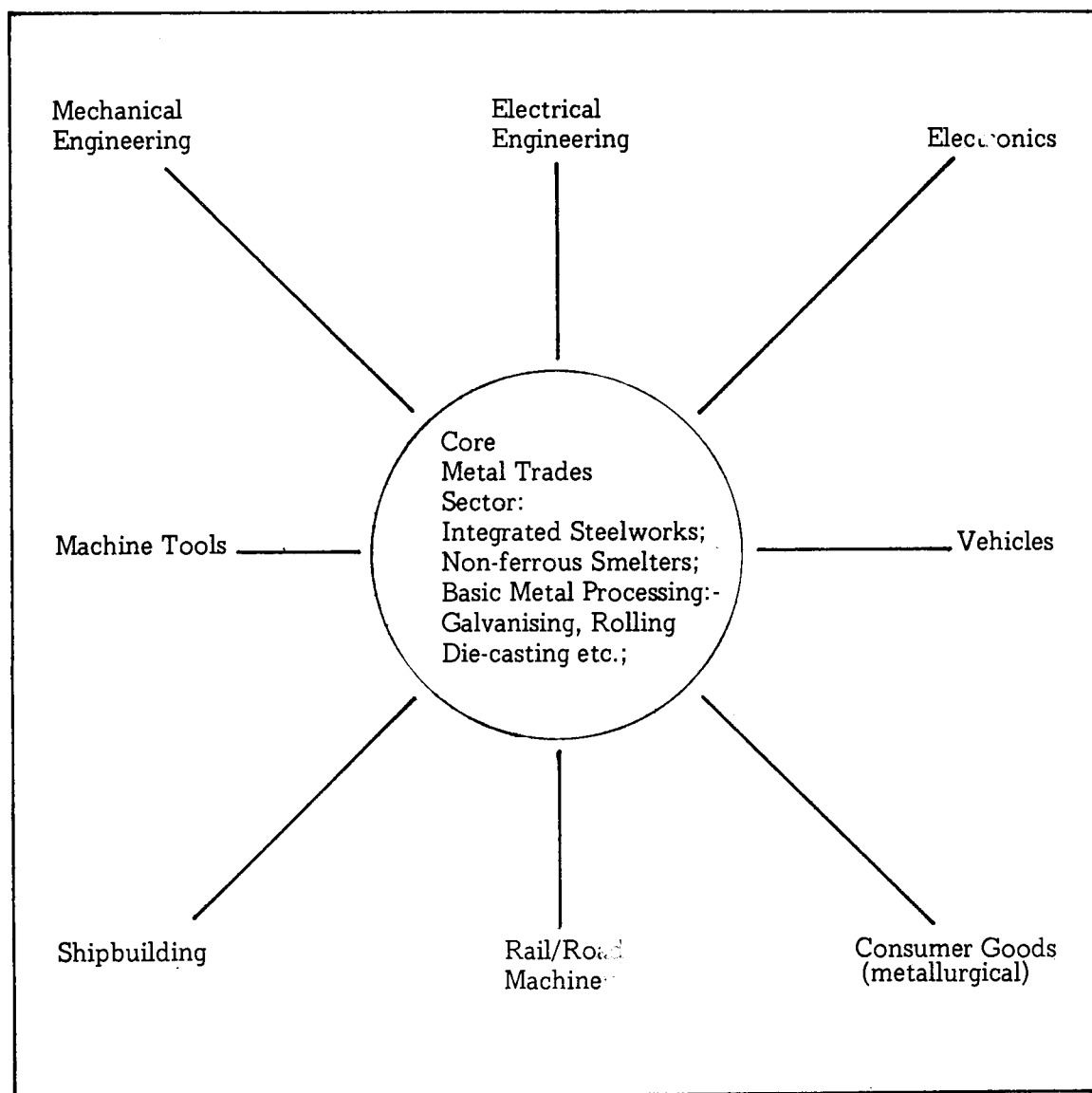
Thus, the employment implications of Sinn Fein The Workers' Party's plan for Educational development calls for the creation of an additional 29,500 jobs in this sector.

Employment 1976-77 cont.

Electrical Machinery etc.	10400
Non Electrical Machinery etc.	4000
Vehicles (mechanically propelled)	7,500
Other Vehicles	1,700
Railroad Machinery	1,900
Ship & Boatbuilding	<u>2,100</u>

Total: 42 600

Our plan, within the 10 year period 1977-1986 is to transform the industry into an integrated sector along the lines depicted in the diagram.



The Core Metal Trades Sector:

The development of a high productivity core metal trades sector providing cheap metals and basic metal products to an expanding engineering and downstream metallurgical sector is of central importance in the plan for the whole industry. The ultimate aim, within the period of the plan, is to substitute all imports of primary iron, steel, zinc, lead and copper products with domestically produced products. Imports of zinc, lead, and copper products will be substituted by the output of new state smelters utilising the output of our domestic deposits of these ores. In the case of iron and steel, our plan envisages the substitution of imports of basic steel products by iron ore imports which are readily available on the world market since iron is the most abundant metal by far on the World market. This is because iron is the metal with the most abundant supplies of proven deposits. We thus, envisage, as the most important feature of our plan for the Metal Trades industry, the establishment of an immense new state owned steelworks, run by Irish Steel Holdings with a productivity target level in excess of that of the Japanese Steel industry (the best in the Capitalist World).

Steel Policy:

Irish imports of basic steel products, (e.g. flats, bars, servis) exclusive of alloy and special steels in 1974 were 350,400 tons; adding to this the output of Irish Steel Holdings in 1974 (110,000 tons) we arrive at a domestic consumption of 460,000 tons in that year. Accounting for the recession year of 1975 we can assume that consumption in 1976 has returned to the 1974 level at least. Projecting steel consumption to increase in line with the national investment target of 14% annual growth in our 10 year plan, and also allowing for a substitution of imported steel products in the engineering industry by domestically produced goods we derive a projected national steel consumption of between 1.8m and 2.0m tons in 1986.

To satisfy this demand, and also to support a certain degree of export capacity we set as a target a domestic steel production capacity of 2m tons in 1986. This represents a 19 fold increase in the output of Irish Steel Holdings today. If the present employment of ISH were to be expanded at this rate, (i.e. maintaining existing productivity levels) 14,000 jobs alone in steelmaking would be created. However, so that more extensive job creation can occur in the more labour intensive and skilled downstream engineering factories envisaged in our plan all emphasis will be placed on the production of cheap steel which entails high productivity levels.

The table below provides an insight into why, when Irish Shipping Co. tender for ships, the Japanese shipyards are always able to outbid Verolme in cost terms.

International Steel Industry: Comparison of Productivity Steel Tonnes per Man Year (1975)	
U.K. (British Steel Co.)	131
France	164
Germany	225
Italy	232
Netherlands	243
United States	274
Japan	372

Source: British Steel Co.

With this sort of productivity it is no wonder that the Japanese can build ships and other heavy engineering goods which can beat European and Irish products consistently.

Our plan is to make Ireland the Japan of Europe in terms of steel productivity.

Our plan to do this will be to commission our State Steel Company (ISH) to establish a massive integrated steelworks utilising the most advanced technology in the world, producing a wide range of steel products — (bars, sheets, steel billets, semis etc.) in a single integrated steel making complex with an output of 2m. tons a year. This output should be fully reached by 1986.

A Productivity target 8% above the current Japanese level would be 400 tonnes per man, which means that the new ISH complex will create 5,000 jobs.

Such a steelworks, at present day prices will cost approximately £150m., which will be provided out of our economic plan for investment financing. However, as the illustration below shows, the balance of payments saving of the domestic steel production capacity would pay for the £150m investment in a matter of only a few years.

Table: The Impact of Expanded ISH Plan on Our Balance of Payments:

In 1976:	Cost of Steel Imports:	£82.5m.	
	Cost of Imported ore to produce this quantity of Steel:	<u>£39.6m</u>	
	Balance of Payments Saving:	£42.9m	(Annual)
In 1986:	Cost of Steel Imports:	£353.2m	(Projection according to
	Ore Imports:	<u>£169.5m</u>	Sinn Fein The Workers'
	Balance of Payments Saving:	£183.7m	Party Full Employment
		(Annual)	Plan).

This balance of payments saving occurs because the raw material inputs into Steel, besides iron ore and coke, are available in Ireland — electrical energy, which will be amply available due to our energy development plan, and limestone, which is the principal fluxing material used in steel production. Due to the fact that iron ore can be transported at very low cost in high capacity ore carriers the lack of a nearby source is not a drawback of any consequence except that it dictates that the proposed new steel complex would be sited in Ireland close to adequate docking facilities e.g. Cork Harbour.

In line with our object of creating an integrated basic metals sector we propose that smelters for zinc, and lead be sited close to the steelworks so that alloying and galvanising production (coating of steel with zinc to prevent corrosion) can occur without incurring unnecessary transport costs.

Just as our principle in Steel development is to produce cheap steel so also is our approach in selecting the appropriate zinc smelting technology one of minimising costs so that maximum downstream job creation can occur.

Our organisational principle in the development of this sector is that Irish Steel Holdings should establish the zinc smelter as an ancillary and complementary operation to the steelworks. This approach will ensure that full benefits of our natural resources shall accrue to the state and the Irish working class and the economic planning process of coordinated and linked growth in all sections of the economy under the direction of the Industrial Planning Authority can proceed.

In addition to the Iron and Zinc, Lead and Copper smelting operations we envisage ISH to expand backwards to develop our mines, taking up the job again of the deceased Mianrai Teoranta, and to expand downstream into galvanising, sheet production, rolling and die casting.

In addition to the above outlined additions to the metal trades sector we envisage rapid expansion at the high annual growth rate of 14%, and in productivity per worker of the

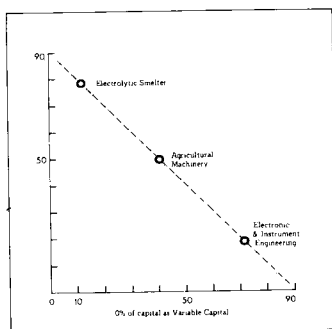
existing metal trades industry (e.g. Structural Steel, Unidare etc.) So that an additional 8,000 jobs will occur in this area. With the coming into production of the ISH integrated steel works, smelter and downstream basic industries a further 10,000 jobs will be created within the State sector. This shall result in employment for the existing 15,000 workers in the sector being strengthened and secured by investment to achieve derived annual productivity growth rates (5.6% approx.), plus the creation of an additional 18,000 new jobs to bring employment in "Metal Trades" to 33,000 in 1986.

Electrical and Non Electrical Machinery:

The downstream products of the metal and engineering industry have more labour embodied than the upstream basic metal trades products. Thus, the expansion of such sectors as electric motors, agricultural machinery, machine tools, hydraulic equipment, mining and offshore exploration equipment results in job creation of a much greater level per ton of metal throughput than in the basic heavy metallurgical sectors.

Sinn Féin The Workers' Party plan for Full Employment aims to create an integrated heavy metallurgical and downstream engineering industry. This means that the industry will straddle the divide between so-called "capital intensive" and "labour intensive" industry which has been dragged as a mystifying diversion into the debate on industrial policy by the native capitalist elements of the C.I.I. and their petit bourgeois mouthpieces.

The dichotomy between "capital and labour intensive" industry can be illustrated by means of a simple diagram shown below:



This hypothetical diagram indicates the state of technology available at present. On the Vertical Axis the % of total capital that must be laid out for what Marx called "Constant Capital" (i.e. machines, raw materials etc.) is indicated. On the Horizontal Axis the % of total capital that must be laid out as "Variable capital" (wages and salaries) is indicated.

It follows that the more labour power embodied in a particular commodity, the higher is the percentage of total capital accounted for by variable capital. We can see the distinction by comparing the output of the smelter (say a ton of pure zinc) with that same ton of zinc worked up into an agricultural machine (e.g. a beet harvester like that produced in Carlow by the Irish Sugar Company). Many more man hours are employed in working up the ton of zinc into a machine than producing the zinc in the smelter. It follows on that the more technologically complex our industrial process becomes (as we move down the line on the graph from left to right) and we come to, say, instrumentation engineering or computers the more "labour intensive" the commodity produced becomes.

The Confederation of Irish Industry, their Fine Gael mouthpieces, and some misguided elements of the left are at present campaigning in favour of choosing "labour intensive" industry exclusively as the response to achieving full employment in the face of the rapid growth in our labour force in the years up to 1986. In other words they are saying that we should exclusively favour those industries, such as electronic components assembly, or clothing which are labour intensive, and ignore heavy industry. In fact what this means, without them saying so, when a choice is presented between "labour and capital intensive" industry, is that

we should opt for a non integrated economic structure importing the products of capital intensive industry and exporting, what must be our cheap labour power. In political terms a "labour intensive industrial strategy" means relatively low productivity, a high rate of profit for capitalists since workers, not machines or raw materials, are the sole source of profit, and, above all low wages, and, a weak working class. It is no wonder that the gombeen capitalists of the FUE and the CII are at one with the petit bourgeois economists when they advocate the narrow option of labour intensive industry.

The policy of Sinn Fein The Workers' Party is to reject these narrow options and promote a policy of integrated and advanced high productivity industry in which we envisage a State-owned integrated steel works and smelter (capital intensive) producing cheaper raw materials so that the dependent downstream relating labour intensive engineering sector can flourish. Our policy in a phrase calls not for a "labour" or "capital" intensive industry, but for "capital and labour intensive industry" in which the State sector working to achieve the targets of a detailed economic plan will lead the Irish working class to full employment by 1986.

Because of our policy to create a high productivity basic metallurgical sector the principal condition for the growth of our engineering industry in the next 10 years will exist. Through rigorous and extensively detailed economic planning, and the controlled expansion of our annual 14% growth in investment the markets and demand for such a growth in the output of the engineering industry will exist. With the existence of a cheap supply of raw materials from our basic metallurgical sector, and the maintenance of rapid growth in the productivity of the engineering sector itself our aim to increase steadily the market share of the massive new market in machinery of the Irish engineering sector, as well as developing new export industries can be attained. Today the employment in our engineering sector (excluding transport equipment) is 14,400 broken down as follows:

Electrical	10,000
Non Electrical	<u>4,300</u>
	14,300

Much of the existing employment in the electrical sector is in large multinational-owned factories such as ECCO Dundalk, E.I. Shannon and Digital in Galway which have been brought in by the I.D.A. It is also supplemented by a myriad of smaller firms, most of them aided by the State through the IDA. Our policy during the period of the Full Employment Programme shall be to protect the employment in these sectors by maintaining a working relationship with the companies in the sector which have set up operations in Ireland. The basis of our relationship with these companies shall be an honouring of our past financial and tax commitments made. The reliance however on the multinationals to achieve the employment targets shall not occur because such an approach is not compatible with the achievement of 1,450,000 secure jobs by 1986. The multinational proportion of output will be ensured by appropriate incentive policies, but, the thrust of the establishment of an Irish capital goods and engineering industry will be in the hands of a State engineering capacity which will grow from the existing R & D and fabricating activities of our state companies such as Bord na Mona, Irish Sugar Co., Dept. of Posts & Telegraphs and ESB. It shall be our policy that the challenge embodied in our 10 year national investment commitment shall be in the hands of the state companies which shall be the most amenable vehicle to ensure that the objectives of the Full Employment plan are realised.

With our national investment commitment projected to grow by 370% (14% per year) in the 10 years to 1986 a parallel demand will arise for plant and equipment both for productivity improvement and employment growth. At the same time, by means of vastly increased investment in research and development to develop the appropriate equipment for

agricultural, forestry, building, mining and oil and gas production, and, with the advantage of a high productivity basic metallurgical sector providing cheap raw materials, the domestic market share of plant and equipment (now running at approx. 20%) can be more than doubled to 50%, which, combined with the manufacturing annual productivity target of 5.6%, and the inevitable growth in export markets an expansion of jobs will occur in non transport engineering of 22,800 to give a total employment figure for the sector of 37,200 in 1986.

Within the non transport engineering sector we envisage the predominant expansion as being in the non-electrical area, which is not to say that electrical engineering will not receive priority, doubling as it will in employment during the period of the plan.

The basic reason for this is that, given the time period involved in this plan, the full scale development of a state electronics industry will take time to build up and thus will not occur in all its potentials until the latter part of the 1980s.

It is in metal trades and engineering that we project the fastest growth in employment — this is consistent with the objective of restructuring the economy to achieve a higher long term rate of growth through higher investment commitments and enhanced ability to produce the machines and buildings in Ireland that this investment commitment represents.

A further feature of this growth in the engineering industry is the fact that about half of the new jobs will be created in the Dublin region which itself possesses about half the country's reserve of engineering manpower.

Transport Engineering:

The four engineering sectors engaged in the production of vehicles are as follows:

Sector	Employment 1976
Ship & Boatbuilding	2,100
Railroad Machinery	1,900
Mechanically Propelled Vehicles	7,500
Other Vehicles	1,700

Two of these sectors, Mechanically propelled Vehicles and Railroad Equipment are, for historical and technical reasons, not expected to expand as rapidly in employment as the rest of the engineering sector. Their role nevertheless remains of crucial importance in the context of an expanding economy. CIE, in railroad machinery will be encouraged to modernise and expand their production and export capability. In addition, due to the planned development of the railroad system, new demand for rolling stock will emerge as a result of the Sinn Fein Workers' Party Plan. In addition, it is our contention that C.I.E. should build the trains that will be required for our proposed Dublin subway system.

In conjunction with the supply of cheap raw materials from the basic metal industry those two sectors will be enabled to become involved in growing export potential. This is Sinn Fein The Workers' Party policy to resist all attempts to sell off the CIE Inchicore owned works to private enterprise, but on the contrary to expand it with consequent expansion employment of 500 persons. Similarly, our commitment is to stabilise all employment in the mechanically propelled vehicles sector and indeed to achieve a small expansion of employment of 500.

In the "other vehicles" category a doubling of employment is envisaged, with 2,000 new jobs being created. What we propose is the expansion of the state engineering companies into such areas as agricultural vehicles etc. which, due to the same conditions as will promote the expansion of the non transport engineering sectors, will more than double employment. The initiative already displayed, of Aer Lingus in building up an extremely successful aircraft

maintenance capacity will be encouraged and expanded.

Similarly in Ships and Boatbuilding the Full Employment plan envisages a massive expansion. The existing yards at Rushbrooke and New Ross (Ross Co.) which have already developed experience in offshore oil platform and module construction, will, with the advantage of having Europe's cheapest steel and other metal supplies at their doorstep, provide all the substantial engineering work involved in the attainment of the Plan's objective of oil and petroleum self sufficiency from Irish waters. Furthermore, with the development of the Irish Shipping and B & I fleet to carry 50% of the projected merchandise and passenger traffic under the plan the Cork Shipyard, in being able to compete with the best ships produced in Japan will be able to expand employment by over half again.

With the development of fisheries it is proposed that the new State owned deep sea fishing fleet to be operated by Bord Iascaigh Mhara under the direction of the IPA will rationalise and gear its existing boatyards to produce large steel hulled trawlers to equal the best that are sailing the seas around our coasts today.

Overall, the projected expansion of 6,000 jobs in transport engineering, in conjunction with the Metal Trades and Non Transport engineering sectors will enable total employment in metals and engineering to grow by 42,600 to give a total employment level in the industry of 89,400 in 1986.

20-Short-term Programme

Aims of the Short Term Programme (1977-'78)

The essence of the capitalist crisis for the working class can be summed up in one word —unemployment. Unemployment attacks the workers, not just in that it turns life into a misery for the unemployed workers and school leavers — it undermines the position of the working class as a whole, at work and unemployed. Capitalism, as a system is strengthened by the fact that it can haunt and threaten the trade union movement by the pressure of unemployed workers waiting on their jobs.

In a nutshell, the aim of Sinn Fein The Workers' Party in this Short Term Programme is to massively reduce unemployment and commence the irreversible movement that will abolish unemployment completely from the experience of the Irish working class.

The scale of Ireland's unemployment problem in 1977 is indicated by the following figures:

Total at Work 1976-'77	1,029,000
Family Farming " "	213,000
Total at Work non Family Farming	816,500

The NESC in its paper "Population and Labour Force Projections" estimates that the total Non Family Farming Labour Force in 1977 is 1,012,000. If we subtract the total at work figure (816,500) from the labour force figure we derive the number of unemployed workers as 195,500. This differs from the average officially registered unemployment figure (110,000) by 85,000. These 85,000 are mainly school leavers, teenage girls, housewives and others who are not eligible to register.

This represents an unemployment rate of 16% of our total labour force, or 19.3% of the workforce excluding farmers.

We aim by means of a concrete short term strategy to reduce this intolerable unemployment burden back to pre-crisis levels (April 1974) in two years.

The development of the unemployment crisis is seen in the Table below:

	1974(April)	1977(April)	Change
Total Non-Family Farming			
Labour Force**	946,500	1,012,000	+ 65,500
Non-Family at Work	<u>840,000</u>	<u>816,500</u>	+ <u>23,500</u>
UNEMPLOYMENT	106,500	195,500	+ 89,000

**Source: NESC Paper.

Our task in the short run pgoramme is to not just create jobs for the 89,000 extra workers who became unemployed in the last three years but also provide for the 44,000 further young school and university leavers who will be entering the labour market over the next twenty four months.

We furthermore, envisage our task as involving the reattainment of 1973 standards of living by the Spring of 1979 and thenceforth a rapid and unprecedented rise in the standard of living of workers. In the interim, however, a massive task of job creation must be faced up to. The magnitude of the task involved is seen in the fact that upwards of 90,000 jobs must be created in 1977 and 1978. This is a task which only we in Sinn Fein The Workers' Party

will face up to, since we are the only party to have quantified the immediate task that lies ahead. The Coalition parties and Fianna Fail in their "plans" having attempted to pass off the urgency of job creation by vague terminology which nails them down to no commitment.

Our economic policy differs too from the capitalist parties in that our short term strategy dovetails into the long term plan 1977-'86 which shall lead to full employment — a real full employment. We thus envisage the tasks of the short term plan as being the initiation of our long term strategy, in forests, engineering, energy, construction etc. The jobs to be created in the next two years should be in laying the foundations for full employment by creating resources such as forests and exploitable bogs as well as building roads, ports, and especially the factories in which the expanded workforce of the eighties will find highly paid and productive employment. We thus have a strategic approach to our short term economic programme — which differs from the Fianna Fail "policy" which in typical lazy fashion drones on about creating jobs in "construction" (building what?), or in "services". Our strategy too differs from the Coalition line — that is we have a policy. The government have none at all. They just hope the crisis — and the unemployment problem — will go away in emigrant ships.

In laying down our short term strategy another important characteristic of our plan must be made clear. That is the nature of the jobs we aim to create in the two years 1977-78. Of necessity these jobs must be instantly creatable. For example, we cannot create downstream wood processing and engineering jobs on a large scale in two years — we do not have the forests and core metals sector — yet. Our ten year plan envisages the expansion of output and employment largely in natural resource creation and investment goods production. Since these two branches of the economy must be developed before we can develop downstream from these they come first, logically, in the Plan. Thus, our short run programme sees the bulk of job creation in basic industries and investment goods.

A further imperative of our plan is that we must work with the underdeveloped economic structure that capitalist development in Ireland has to date produced. For this reason, so as to bring the economy back to its pre-crisis capacity operation rate we must stimulate sectors which in their raw material and input patterns provide stimulus (and jobs) — in other areas of the economy rather than sucking in imports. Thus, the great job expansion we envisage is in the construction industry, forestry and turf sectors.

Methods of the Short Term Programme 1977-1978.

Our short term programme will mean a step towards full employment by reducing the unemployment rate to the pre-crisis rate (11.2% in April 1974). This will indeed be a step towards socialism, but a step which will occur in the capitalist and imperialist framework within which Irish workers live. This means that we must work with existing Irish industry as it stands today. On the international plane we do not envisage withdrawal from the EEC, by the capitalist class in Ireland — even the small gombeens might make noises about withdrawal over the next two years.

Our approach in essence is to raise the national investment rate to the required level for the job creation task. Virtually all of this additional investment should be carried out, through, or by, the State Sector.

On an institutional level the short term programme requires the immediate establishment of:

- 1) The Industrial Planning Authority, and
 - 2) Sectoral Plan Councils.
- 1) The Industrial Planning Authority (IPA) we envisage will be the Central Agency with the responsibility of effecting the Plan: it will have authority over all state bodies and will

incorporate the personnel, resources and function of the Central Bank, Department of Finance, the IDA and other Central Government, Policy, Planning and Research Agencies. The State companies will, we envisage, become executive arms of the IPA.

2) In each Sector targets will be set for output and job expansion. The IPA, in conjunction with the State companies of the sector and the private enterprise firms will work together to achieve the plan targets.

Besides these two institutional innovations we propose to build on the existing State companies who have proved in practice to be able to deliver the goods. In the future we aim for them to expand. We do not propose the establishment of additional, new gimmicky bodies (with the exception of the State Construction Company) which only provide smoke-screens and further bureaucratic appendages to hinder the urgent task of job creation. So as to move rapidly on the task of job creation the IPA will work through the categories of the Public Capital Programme now in existence, and, by means of the injection of state money and the expansion of the state sector will aim for reduction of the unemployment rate to 1974 levels.

In particular, in year 1 of the programme our task will be to create approximately 45,000 jobs for currently unemployed workers. For the additional 22,000 school leavers we would envisage about half being absorbed again by the educational system to receive training in various industrial skills which will be required as the industrial revolution itself gets under way. Therefore in the first year about 50,000-55,000 new jobs must be created.

This shall occur by means of a five pronged injection of investment by the State. They are listed below:

1. Establishment of State Construction Company to coordinate all public building activity — e.g. Local Authority, IDA, Office of Public Works etc. Expansion of the output of the Construction Industry by 20% (this is estimated to be within the capacity of the construction and cement industry especially as the immense Platin Cement plant will soon be working to capacity): This would involve a cost of £165m injection into the industry, and would be directed to creating productive capacity — e.g. by building factories, roads, water supplies, harbours and ports.

The impact of this integration would be to raise the GNP by £220m and imports by approximately £70m. Given that average output of building and construction section workers in 1976 was £9,150, this means that 18,000 new jobs will be created in the State Construction Company. A further feature is that these jobs will be mainly concentrated in the construction of the new industrial capacity envisaged by the Full Employment Plan 1977-86, e.g. development of Cork Harbour and the commencement of building Oil Refinery, Steelworks and Smelters.

2. The next step would be to expand the forestry planting programme of the Department of Lands to £30m (investment spending). This would immediately create 10,000 jobs in forestry. The impact of this injection would add £50m to the GNP and only suck in about £6m in imports.

3. The next move is food expansion involving Bord na Mona, Department of Lands and the Sugar Company to bring 100,000 waste and unutilised acres into crop production, e.g. beet, grain, vegetables. The emphasis in this strategy should be to substitute imports of food products by domestic products. This development should involve highly mechanised agricultural production and the increase in state capital spending in agriculture will largely go into this enterprise.

4. Energy Development Plan involving Bord na Mona to immediately initiate the "4th Development Plan" as outlined in our long term plan.

5. Other State Enterprises. All other state initiatives mentioned in the long term plan

should be commenced. This will involve Bord Iascaigh Mhara, Irish Steel Holdings, CIE, Aer Lingus and the ESB.

Summary on Investment:

If we take the average job creation cost of the construction industry, £9150, as being representative of the job cost in the short term programme, and our new job creation target in 1977 as 50,000 jobs, we estimate that the total additional investment required will be £460m. Initially, we do not expect private enterprise to create any jobs since our policy is not to entrust the job creation to the capitalists. However, the effect of the injection of £460m additional investment into the economy will lift output generally and result in a minor contribution to the employment target in 1978 from private enterprise.

Thus, of the £460m additional public job creating expenditure of the IPA in 1977, as we have seen, £195m will be in construction and forestry. The remaining £265m will go to initiate new productive activities of the state companies as outlined in points 1–5 above. This will involve the creation of 28,000 additional jobs.

The Financing of the Plan:

As we have seen, the short run programme involves the additional spending by the State of £460m. This additional finance must first be made available to the economy. This finance is under three headings:

- (a) By means of Temporary Import and Foreign Exchange Controls;
- (b) Increased output due to higher national profitability due to expansionary economic policy, and
- (c) Foreign Borrowing.

The following is a detailed outline of these three financing measures.

(a) Import and Foreign Trade Controls:

This policy differs from the tariff barriers approach advocated by the radical economists: Our policy of import controls does not have as an objective the diversions of national spending from imported consumer goods to hastily established gombeen profiteers taking advantage of an artificial price advantage. The diversion of national spending we envisage as a result will be into the hands of the IPA to create jobs. Of the three types of goods we now import from abroad,

- (a) investment goods (e.g. machines)
- (b) Semi finished goods for further processing and
- (c) Finished Consumer Articles (e.g. items of clothing),

we would only consider import controls in relation to (c), since their restriction in no way can effect employment and output detrimentally. On the contrary the saving of foreign exchange will enhance the GNP. An examination of our import trade pattern for 1976 reveals that goods to the value of £700m, many of which could almost immediately be produced in Ireland, were imported. In addition other invisible 'imports' such as overseas tourism in 1976 were of the order of £100m.

Our strategy would be to restrict, by means of quotas, combined with a system of internal price controls, a range of these imports so as to raise a substantial proportion of the £460m required.

The injection of additional investment of this order would raise GNP in one year by approximately 7%, when net import effects are made account of. The additional £300m approximately that this growth would represent would produce a fund available for taxation in 1978 which could provide an asset for the State to raise additional finance as against 1977

(b) Foreign Borrowing:

So as to maintain national independence in our job creation programme our desire should be to minimise this as a source of finance. However, with Central Bank External Reserves now standing at a level (£800m approx.) which is more adequate than most overseas countries, scope exists for borrowing in the form of a certain reduction in the reserve level. It would, furthermore, be our policy to raise finance on a project by project or credit basis in which all borrowing would be done to finance specific productive projects in which identifiable revenues will accrue in future years (e.g. the Smelter and the Steelworks). Foreign borrowing to finance central consumption expenditure will be avoided, which indeed is the preference of lending bodies such as the World Bank and IMF.

These strategies, since they will involve the restructuring of our international economic relations of course will involve our political relationship with foreign countries, in particular the EEC. This Party strongly opposed EEC entry. Now it intends to equally strongly campaign for maximum advantage from the EEC. We do not envisage withdrawal from the EEC as a prerequisite of our economic plan. Our short term policy is simply to force a commitment from the EEC that the Community aim of "Full Employment" by 1980 (as stated in 1976) involves a specific commitment to the attainment of Full Employment in each of the member states and not simply the EEC area as a whole. We will force the EEC to assist in the aim of Full Employment within the territory of Ireland. With this commitment secured we will proceed to negotiate whatever necessary temporary derogations from EEC trade policy will be required to further the aims of the Short Term Programme. We will negotiate these agreements in recognition of the longer term commitment to free trade which we fully accept as being consistent with the long term plan for full employment. In sum, our imposition of temporary import controls will, since they will be carried out within the framework of an actual plan to put the Irish economy on a long run, high growth, and full employment path, be ultimately of benefit to EEC trade since they will allow a greater growth of import volume in the future than otherwise will be possible. It should further be noted that such actions would not be unique in recent EEC experience — Italy having introduced import controls in 1976 and Denmark having done so in an indirect manner in 1976.

Our principled position in this matter shall be to avoid the detrimental effects of "beggar my neighbour" trade policies which also serve to undermine the economic position of the continental working class. Our policy as the working class policy is to promote the solidarity of European workers as part of our principle of international working class solidarity.

On the question of foreign borrowing our approach will be, so as to maximise economic independence, to raise loans by means of export credit arrangements. Failing this we will do so on a project by project basis. In this connection we would propose to pursue fully the export credit and trading potential of mutual economic relations between Ireland and the socialist and non-aligned countries.

We have indicated that, at the very maximum, approximately £1,100m potentially could be raised by means of an austerity programme that would reduce imports of non-essential consumer goods and goods that could be produced alternatively in Ireland. This indicates that potentially a sum far less than this £460m could, in conjunction with a certain run down in the external reserves (foreign borrowing), can be raised.

As for the immediate domestic sources for this expanded investment fund several obvious strategies exist:

The State taxation potential can be seen when the following figures are considered:

Source	State Revenue 1975 and 1976		1976**	%
	1975	%		
Consumption Taxes*	535.8	29.3	723	36.0
Income Tax	331.7	18.1	440	21.9
Borrowing	533.8	29.2	544	27.1
Other	<u>428.0</u>	<u>23.4</u>	<u>301</u>	<u>15.0</u>
	1829.3	100	2008.0	100

*Includes VAT, Customs and Exise, Road Duties

**Provisional Figure

Budgetary Options to Raise £460m:

1. Considering that in 1976 total non-agricultural incomes (including wages and salaries) were approximately £2935 and that this section of Irish society is the only section to pay income tax the average tax rate was 15%. Applying this to farmer incomes which in 1976 were £655m the introduction of a fair income tax system in which farmers were taxed at the same rate as taxpayers in the industrial, commercial and administrative sections (15%) £100m could be raised – a far cry from the paltry £1.6m which has been raised since the farmers "tax" scheme was introduced in 1974.
2. An increased tax surcharge (7.5%) on increased non-agricultural incomes could raise an additional £50m – based on 1976 national income figures.
3. On the expenditure side state current spending could be cut in two areas, (a) increased job creation in year 1 of the short term programme could result in a reduction of 30,000 on the live register. This would result in a saving of £30m in unemployment benefit and assistance payments, (b) Cuts in state current subsidies to agriculture of the order experienced in 1976 by working class people in other areas e.g. public sector employees and health service recipients, would achieve a saving of £20m.
4. In the financial sphere, through enhanced Central Bank intervention (under the guidance of the IPA), a direction of personal advances increases and hire purchase of imported consumer goods (e.g. cars) could make an additional £100m available for the job creation programme.
5. Finally we are left with a further £160m to be raised by means of consumption taxes, or borrowing, that would channel funds into investment. The impact of various policies in this connection on the working class tax burden to raise £160m can be seen by consideration of State Revenues in the Table above.

These possible strategies which we would follow to raise the targeted £460m indicates the possible methods open to state in taxing the economy, especially in the wake of the proposed import controls which would reduce taxes to increase the job creation policy.

Notes

Chapter 1

1. James Connolly, **Labour in Irish History** (Dublin 1910, revised ed., Dublin n.d.,) p.46.
2. M. Wall, 'The Rise of a Catholic Middle Class' in Eighteenth Century Ireland' in **Irish Historical Studies**, vol. X1, No. 42 (September 1958); see also the same author's 'The Catholic Merchants, Manufacturers and Traders of Dublin 1778 - 1782'; **Reportorium Novum: Dublin Diocesan Historical Record**, vol. 11 (1959-'60).
3. M. Wall, 'Catholics in Economic Life' in L. Cullen (Ed) **The Formation of the Irish Economy** (Dublin 1969) p.47.
4. Quoted by James Connolly in **Labour in Irish History**.
5. Cited in Eric Hobsbawm, **Industry and Empire**. (London 1969).
6. In his **History of Ireland 1798-1857** John Mitchel wrote:
After Catholic Emancipation: "Since that day, therefore, we have seen constantly more and more of the higher class of Catholics, in various positions, helping the English to govern, that is to pillage and depopulate this ill-fated island. Since that day, there have been many Catholic members of parliament — they have solicited places for useful constituents — Catholic Attorney Generals — they have packed juries to do the King's business."

Chapter 2

1. F.S.L. Lyons, **Ireland Since The Famine** (London 1973, Paperback ed) p.50.
2. J. Lee, **The Modernisation of Irish Society** (Dublin 1973) p.3. Other quotations and references in this section are from the first chapter of Dr. Lee's book.
3. J. Donnelly, **The Land and People of Nineteenth Century Cork** (London & Boston 1975). p.238.
4. In view of the fact that 83.6% of the country's tax burden is carried by PAYE taxpayers, a statement by the IFA must be viewed with concern. The statement — unchallenged by any section of the farming community — "to return to cattle trading in the fields if cattle price sales details were supplied to Inland Revenue" — is obviously a threat to refuse to pay income tax even if it means breaking the law. Farmers must pay their just share of taxation on income on a scale equal to that paid by taxpayers on PAYE.

Chapter 3

1. Jonathan Pim, **The Questions and Prospects of Ireland** (Dublin 1848) p.148.
2. J. Lee, **The Modernisation of Irish Society**. p.12.
3. Emmet Larkin, 'Economic Growth, Capital Investment, And the Roman Catholic Church in Nineteenth Century Ireland' in **American Historical Review**. (April 1967), LXX11, pp. 856 - 8.
4. F.S.L. Lyons **Ireland Since the Famine**, p.19.
5. J. Lee, 'Capital in The Irish Economy' in L. Cullen (Ed) **The Formation of The Irish Economy**. pp.53 - 4.
6. Lee. **The Modernisation of Irish Society**. p.11.

7. Ibid., A concise and lucid account of the interaction of literacy and railways is given by Dr. Lee in this book. pp.13-14.
8. George Gilmore. **Labour and The Republican Movement and The Republican Congress.**
9. Cited by Arthur Mitchell in **Labour in Irish Politics 1890 - 1930.** (Dublin 1974) p.106.
10. Ibid., p.109.
11. Ibid., pp. 109 - 110.
12. Cited in Lyons, **Ireland Since the Famine**, pp. 487 - 8.
13. Ibid., p.600.

Chapter 4

1. T.K. Whitaker, **Economic Development** (Dublin 1958) p.5.
2. J. Meenan in Francis McManus (Ed) **The Years of the Great Test 1926-1939.** (Cork 1967). p.74.
3. F.S.L. Lyons, **Ireland Since the Famine**, p.614.
4. Ibid., p.621.
5. Ibid., p.627

Chapter 5

1. Recent E.S.R.I. Reports confirm that in labour relations and personnel management the foreign sector i.e. American sector scores heavily for efficiency over the Irish and British sector.
2. Photostats available from Department of Economic Affairs 30 Gardiner Place, Dublin 1.
3. Further examples of Dr. Edwards' devolved socialism are to be found regularly in **The Irish Times.**
4. **The Banks**, (Repsol, 30 Gardiner Place, January 1976).
5. An Bord Bainne is not now in any sense a state body. Under IFA pressure the state owned Bord Bainne was handed back to cloak the operation of five private sector co-ops.
6. See speech by Paddy O'Keeffe at Conference of I.A.O.S. reported in **AIB News**, (November 1976).

Chapter 6

1. See **Public Servants for The Public Sector**, Policy Statement of the Committee for the Development and Expansion of the Public Sector. (Dublin November 1975).
2. See Michael Foy, **The Sugar Industry in Ireland**, (Dublin 1976). This is the first adequate treatment of the industrial history of a state company.
3. F.S.L. Lyons **Ireland Since the Famine.** p.619.
4. Garret FitzGerald **State Sponsored Bodies** (Dublin 1966).
5. Cited in CDEPS **Public Servants For The Public Service.**
6. See CDEPS Pamphlet for a fuller treatment. It is worth noting that until 1976 the majority of posts in Dublin Local Authorities were filled from rural applications.
7. See Research Section, Sinn Fein - The Workers' Party. **The Public Sector and the Profit: Makers** (October 1975).
8. Eamon Smullen, **Teoiric**, theoretical journal of Sinn Fein The Workers' Party. (Summer 1976).

9. For fuller treatment see Research Section, Sinn Fein - The Workers' Party, "Full Employment by 1986, (May 1976).

Chapter 10

1. Leitrim Resources Survey. An Foras Taluntais (1974).
2. Fianna Fail decided at their last Ard Fheis to hand over State owned land for private planting by farmers.
3. A Hoppus foot is a wood volume measure used by foresters to measure growth and potential yield of a forest — it equals 1.27 cu. ft.
4. See various issues of the **Irish Journal of Agricultural Economics & Rural Sociology**, **Irish Forestry**, and the **Journal of Forestry**. . This ratio applies to the production of pulp-wood, a relatively more elaborately labour transformed forest product.
5. In 1976 our balance of payments deficit was approximately £160m. If this plan for forestry and wood processing development were initiated just after World War 11, we would today have a balance of payments surplus, plus 55,000 more workers employed in forestry and manufacturing.

APPENDIX

APPENDIX 1

STATE COMPANIES – Their History and Functions

No Irish government has ever been committed to public ownership of the means of production, distribution or exchange. Yet “commercial” State companies account directly for 8% of gross domestic product and employ 65,000 workers. Private enterprise governments have been forced to solve certain economic problems by recourse to state enterprise. The official explanation for the establishment of State Enterprises by politicians who were totally committed to their gombeen friends in the private sector has been given by Garret Fitzgerald¹ and by the Institute for Public Administration².

The Electricity Supply Board

A major problem facing the gombeen government in the 1920’s was the generation of electricity. The need for a high level of capital investment and monopoly power made State involvement essential. Initially the Government hoped that the distribution and sale of electricity generated by the State could be left in the hands of private capitalists. But the failure of private enterprise to distribute electricity on a national scale forced the government reluctantly to extend the State’s activity into the sale and distribution of electricity, (as well as generation).

In 1927 the Electricity Supply Board was founded and acquired all private electricity companies. The blatant failure of these private companies did not prevent a well orchestrated campaign of opposition to “state socialism” being launched by the gombeens.

The main opposition came from – (a) the Chambers of Commerce; (b) the Farmers’ Party; (c) the private electricity companies who had failed totally to electrify the countryside. Even the Johannesburg Star took up the struggle on behalf of the Irish farmers. In December 1926 the paper wrote ... “socialist experiments are alien to the feelings of the Irish people... the mass of small farmers have no confidence in their ministers to run a commercial concern.”

The campaign of opposition was waged through public meetings, lobbying of T.D.s and, of course, endless letters to national and local papers. The non-de-plumes signed to these letters read like the letters pages of today’s Evening Herald or Press – old reliables like “rate-payer”, “vigilant”, “businessman” or “pro-bono-publico”.

Today, in addition to the production, transmission and distribution of electricity using oil, peat, coal and hydro resources the ESB has built up a pool of technical expertise and experience. A full civil engineering service is being sold abroad by the ESB because gombeen opposition will not allow expansion at home. The ESB services are available for the planning, design and construction of concrete and earthfill dams, major bridges and motorways, jetties and harbour facilities for unloading major ocean going vessels, heavy plant foundations, major industrial buildings in structural steel and concrete, fuel handling plants, penstocks and pipelines, cooling water structures and tall chimneys.

1. to keep in existence a bankrupt, or a virtually bankrupt undertaking, whose preservation is believed to be in the national interest, e.g. C.I.E. and Irish Steel Holdings;
2. to initiate an economic activity deemed necessary in the national interest, but one which private enterprise has failed to inaugurate or to operate on a sufficiently extensive scale, e.g. Aer Lingus, the E.S.B., Irish Shipping, and Bord na Mona...”

The Mechanical and Electrical Services division of the ESB is also selling a broad range of expertise abroad. These include:—

- heating and ventilation systems,
- water chemistry and effluent treatment systems,
- remote automatic process control centres,
- heavy fuel oil tank farms with pumping stations,
- trace heating and piping systems.
- warehouse storage facilities and craneage,
- major fire fighting installations,
- high pressure steam and water heating piping systems,
- bulk materials handling and rail terminal unloading facilities,
- industrial cooling towers,
- commercial, domestic and industrial electrical installations.

In February 1976 the Association of Electrical Contractors of Ireland, representing the gombeen contractors from Dublin and the provinces and infamous for their attempts to prevent unionisation, launched "a campaign aimed at confining the Electricity Supply Board to the activities for which it was established". They accused the ESB of —

... "expanding its activities far beyond this and, for many years, has been duplicating work and services in certain areas which are already well catered for by the Private Sector, notably contracting and appliance sales and servicing...."

The AEI, most of whose members bitterly resisted paying the last national wage agreement, were squealing under the pressure of a competitor who was beating them at their own game in the market place and, horror of horrors, paying decent wages, recognising trade unions and even paying shop stewards to attend trade union courses. While the F.U.E. recognises the right of trade unionists to attend day release courses with no loss of pay the AEI has refused to release shop-stewards.

This small, inefficient and greedy class of gombeen contractors is terrified of real competition where they cannot fix the prices and rig the rules of the game. They want the state company to get out of the way so that their meanness will not be exposed to their customers and workers alike.

Sinn Féin The Workers' Party will ensure that these grabbers and their elected spokesmen will not obstruct the central role to be played by the ESB and its expanded workforce in Ireland's industrial revolution.

The Agricultural Credit Corporation

The ACC was also formed in 1927. Its function was to solve the problem of inadequate long-term capital for farmers. Its formation followed the failure of efforts to organise a similar scheme controlled by the private banks and the cooperatives. It was intended then that the ACC would eventually pass into private ownership under the guise of the co-operative movement.

Recent talk about a "Farmers' Bank" echoed these long-term plans. In our plan for land usage as part of the input to the industrial revolution the ACC would be expanded to operate free from the restrictions currently imposed by private farmers and private banks.

The Industrial Credit Company

To create a native industrial sector behind the tariff barriers erected by Fianna Fáil after coming to power in 1932 necessitated two changes in the Irish money market. Firstly, it needed a huge mobilisation of capital resources and, secondly, a re-direction of the Irish capital market from its traditional London orientation. A combination of inability and unwillingness

to do this on the part of the owners of capital in Ireland made in necessary for the State to set up its own bank and in 1933 the Industrial Credit Corporation was founded. The ICC provided long term loans to private industrialists and assisted feeble Irish capitalism to raise money on the Stock Exchange by acting as undersriter.

The gombeen government expressed their hopes of handing the ICC to private capitalists eventually. The failure of De Valera's baby capitalists to reach adolescence, not to mention healthy adulthood, has meant that the ICC is still the State's nursemaid for retarded Irish capitalism. Our plan for Ireland's industrial revolution will empty the gombeen's nursery, clear the site and use the land to construct the foundations for industrial development. With the patients out of the way, the ICC will become the financial arm of the Industrial Planning Authority.

The Irish Sugar Company Ltd. (CSET)

During the 1920's the Government subsidised the establishment of a sugar beet factory by a Belgian Company. When this company collapsed the Irish Sugar Co. was established (1933) to provide Irish farmers with an outlet for their crop. So, this first state involvement in manufacturing industry came about as a direct result of the needs of farmers and the collapse of private enterprise.

Today, the Sugar Co. is still held down by the needs of farmers and private gombeen "industrialists". In 1974 CSET suffered a fall in profits on fertilisers because of their efforts to cushion beet-growers against the increase in fertiliser prices. Within six months the beet-growers broke their contract with CSET and as a result of their "No Beet Campaign" forced the guaranteed price to be raised from £9.45 per ton to £18 per ton. In 1976 when the farmers, again, broke their contractual arrangements for the supply of potatoes to Erin Foods, (when a shortage raised the market price), the State processing company suggested growing their own potatoes in sufficient quantity to insure regular supplies. There was an outcry from the farmers whose screams of "State Monopoly", "Unfair Competition" etc. was echoed by gombeen politicians who believe as firmly now as they did in 1933 that the sole function of the State and of State workers is to serve the interests of the "farming community".

The design, production and marketing of agricultural machinery by the Irish Sugar Co. developed to serve the needs of farmers for safe, efficient machinery division has won it much recognition and markets abroad. But the opposition of the gombeen "workshop" owners has prevented its expansion. In 1976 while trade unionists fought to save the jobs of apprentices in CSET's machinery division the company was being forced by gombeen pressure to hand over the servicing of their machinery to privately owned mechanical firms employing two or three non-union "hedge-cutters". Similarly, the Sugar Co. is forced to hand over machines designed by their engineers to private firms to be produced for private profit. Sinn Fein The Workers' Party outlines elsewhere in this book the central role to be played by both the Irish Sugar Co. and Erin Foods in the industrial revolution.

Bord na Mona

The role of Bord na Mona is dealt with at length in the Chapter on Energy and its role in industrialisation. Ireland's rich peat resources had remained largely unexploited. Private companies had licked off the cream from some of the more easily accessible boglands in the interest of the fast buck. But, private enterprise had failed totally to exploit this natural resource on a national scale and in 1946 Bord na Mona was established with its main function being the mechanised production of peat fuel for use in power stations and for general industrial and domestic consumption.

Thirty years later Bord na Mona is operating on more than 130,000 acres with more

miles of railway track than the national transport company, C.I.E. With 22 production centres scattered throughout rural Ireland Bord na Mona produces approximately 4 million tons of peat products annually and is one of the country's largest employers. The company receives neither subsidy nor tariff protection and after paying one million pounds in interest to the banks annually still makes a profit.

The scientific reclamation of cutaway bogs by Bord na Mona has turned these wastelands into a potentially productive source of vegetables and dairying. In November 1976, Liam Cosgrave backed the demand of the farmers who are agitating to have this cutaway bog handed over to private farmers for private profit. This campaign is already being resisted by Bord na Mona workers whose attitudes were well summarised at a recent meeting of the Committee for the Development and Expansion of the Public Sector by a member from Bord na Mona who said: "we are not going to allow our children watch this valuable land once again being walked by a man and his dog".

For a detailed account of Bord na Mona's role in the industrial revolution, see Chapter on Energy.

Irish Steel Holdings Ltd

Haulbowline Island was occupied by the British Admiralty as a naval base until the treaty in 1922. In the late 1930's a privately owned Irish company commenced steel production on the eastern half of the island. Typical of the "dynamism" of the 100% guaranteed Irish version of capitalism this company, despite its monopoly of steel production in Ireland, went into the hands of a receiver in 1946. The government, in order to prevent complete dependence on imported steel and to avoid a break-up of the equipment, purchased the assets of the defunct company and in June, 1947, established Irish Steel Holdings to resume production of steel. Today the workforce of the company numbers approximately one thousand. For details of the expanded role of Irish Steel Holdings in the Industrial revolution Chapter on Metals and Engineering.

Aer Lingus Teoranta

The refusal of Ireland's great pool of entrepreneurial talent to make any moves in the direction of setting up an air transport company forced the State to set up Aer Lingus Teoranta in 1936. The company has played a central role in introducing new technology and technical skills in Ireland. Aer Lingus workers have been engaged in technical assistance projects in over fifty developing countries.

Aer Lingus spends vast sums of money to entice tourists to Ireland so that privately owned hotels, guest-houses and restaurants can make fat profits for their owners who are already benefiting from State grants through Bord Failte. Any attempt by Aer Lingus to expand into profit-making activities is bitterly opposed by the private sector, for example, in February 1976 "Irish Business" ordered the company to confine itself to transport activities and to "cut back staff levels". As soon as the Aer Lingus Catering Company started showing a profit it was sold to private interests.

Coras Iompar Eireann

The heavy losses being made by private transport companies, mainly the Great Southern Railways Company and the Dublin United Transport Company, were leading to the collapse of essential transport services in the early 1940's. CIE came into being on January 1st 1945 with the amalgamation of G.S.R. Co. and the D.U.T. Co. under the terms of the Transport Act 1944. Between then and 1958 all the loss-making private transport companies were consolidated into C.I.E.

By 1958 the Irish people were subjected to a heavy propaganda campaign aimed at making them forget that the reason a State transport company had been set up was because the private transport companies had been unable either to provide a reasonable service or make a profit. C.I.E. was now being asked to do both. The 1958 Transport Act obliged C.I.E.—“to provide reasonable, efficient and economical transport services” and to pay its way within five years from April 1st 1959. This gombeen’s version of April fool was to take on an even more absurd dimension in the late 1960’s when CIE was expected to get out of profit-making activities and at the same time provide essential loss-making social services without showing heavy losses each year.

For a detailed analysis of CIE see “The Public Sector and the Profit Makers” published by Sinn Fein The Workers’ Party in 1975. The capitalist’s plans for CIE were well articulated by the chairman, Liam St. John Devlin, when he said:

“I think CIE have to run the buses and the trains, but then in road freight, where you have the potential of a strong private sector, CIE should complement these efforts.. rather than try and achieve monopoly”.

There is only one monopoly CIE is allowed — a monopoly of loss-making services. The only buses CIE do not have to run are the Friday night/Sunday evening provincial town buses which are guaranteed to make a profit, especially if their owners have a lucrative contract with CIE to use their buses five days a week for transporting school children while CIE buses are carrying the half dozen hospital visitors and old age pensioners to and from the provinces.

The inroads made by private hauliers into the profitable areas of road freight haulage are reflected in these figures:

Road Freight	1969	1973.
Private Hauliers with 6 Vehicles and over	8	20
Number of Vehicles engaged	91	577
Receipts — Private	£4.2 million	£8.7 million
Receipts — CIE	£4.5 million	£6.7 million

Private profits doubled while CIE’s only went up by a third. Similarly, the determination to keep CIE out of profit making activities was shown by the sale of their profitable engineering works to Van Hool and by the sale of valuable land and property to private enterprise. Meanwhile Devlin tries to save money by cutting back on the bus service for Dubliners and by threatening to lay off workers. The disruption of city services during December 1976 as a result of the private enterprise attitude of CIE management to the unions gave the Evening Press’s “community” affairs correspondent, Stephen O’Byrnes, the opportunity for a front page story (E.Press 14.12.1976) under the banner heading “Businessmen offer Private Bus Service”. O’Byrnes who expressed great concern during the oil refinery debate that the promoters of the Dublin refinery had not disclosed their names had no scruples of conscience on this occasion. He meticulously parroted this anonymous group’s spokesman, Michael Keating who is deputy-leader of the Fine Gael group of councillors. Mr. O’Byrnes displayed the same ignorance of the history of private transport companies in Dublin city as he did of the history of the oil monopolies intimidation of the promoters of the first refinery in Dublin Bay.

For an outline of the role of the National Transport Company in our plan for industrial revolution see Chapter on Transport. Today State companies involved in transport and energy account for over 80% of all employment provided in these sectors.

Bord Iascaigh Mhara

First established in 1952 "to improve and develop" the Irish sea fishing industry the Board was reorganised as the development authority for the industry in 1963. Before 1963 the board had been involved in commercial operations, mainly the beginnings of a fishing fleet. From 1963 onwards it was confined to the role of servicing the privately owned fishing businesses of Ireland.

BIM's services to private enterprise fishing includes financial assistance to investors in fishing boats, expanding home and overseas markets, advising and training fishermen and developing resources for new fishing projects.

The only commercial activity in which BIM is now involved is in boat building and repairs at its yards in Killybegs, Baltimore and Dingle. So far, the campaign from private gombeens to denationalise the most profitable of these boat-building yards has been successfully resisted by the trade unionists working for BIM.

For a full account of the expanded role of BIM in Ireland's fishing industry, see Chapter on Fishing.

B & I Line and Irish Shipping Ltd

The British and Irish Steampacket Company Ltd. was originally formed in 1836 to operate passenger, freight and livestock services between Ireland and Britain. The company was purchased by the State in 1965 and under State control full modernisation was undertaken to gear the operations of the company to meet the needs of an expanding economy. Under private enterprise B & I had been underdeveloped and geared to meet the profit needs of its owners.

B & I will have a central role in the development of foreign trade under Sinn Féin The Workers' Party's plans for Ireland's industrial revolution and will function as part of the incorporated transport plan outlined in the chapter on transport. The export of finished industrial products instead of unemployed workers and live cattle will necessitate the expansion of B & I and of the other state shipping company, Irish Shipping Ltd. Irish Shipping was set up in 1941 to ensure the country's supply of essential commodities. The company's present capacity of 240,000 deadweight tonnage will be greatly expanded and its present employment of 450 increased by approximately 250 secure jobs.

The Institute for Industrial Research and Standards

The IIRS was set up by the State in 1946 because of the failure of private enterprise to undertake research and development or to develop new products or improve efficiency. Today, the institute provides a broad range of services for private enterprise. Much of the experience and expertise of the IIRS is used, under political pressure, to serve the interests of a small class of gombeens rather than for the establishment of a secure technological base for industrial development. An example of the misuse of the IIRS is its role under Justin Keating to pump skill and resources into an inefficient private sector to ensure the gombeens get a rake-off from supplying the nuts, bolts and sandwiches for oil and gas exploration. The refusal of Keating to set up a special technical unit drawn from the IIRS, the E.S.B., B.I.M., etc. reveals the grip of the Fine Gael/Fianna Fail gombeens on this "socialist" Minister.

Sinn Féin The Workers' Party has shown the key role of the IIRS in the Industrial Planning Authority where it would help to lay down the basis of a real industrial revolution. While time-servers in the IIRS like Fergus Cahill head of the Ocean Services Division who see their job as serving the interests of private capital may not be happy with this new role, Sinn Féin The Workers' Party is confident that the majority of IIRS workers will welcome the opportunity to play a productive part in Ireland's industrial development. Those who believe in serving the interests of profiteers will hardly object to working full-time for

them and being paid by them.

An Foras Taluntais (The Agricultural Institute)

The Agricultural Institute does for the farmers what the IIRS does for the industrial gombeens. Established in 1958 the institute provides a comprehensive range of services for private farmers. The domination of the thirteen-member council that governs the institute by sectional farmer representatives insures that the institute's work is geared towards increasing farmers profits and not towards ensuring that land is used in the interests of the majority of the people, especially the working class.

Of the £120 million spent directly (not including subsidies) by the State on providing services and relief for farmers in 1976, £17.4 million was spent on research, education and advice. The investment of £840,000 in the Institute by the government of the USA insures that policy will not clash with the interests of American monopolies in Ireland. The Institute also receives "gifts" towards specific research projects from private industrial, commercial and business interests associated with agriculture which further insures that nothing the Institute does will clash with the interests of the local gombeens.

The Agricultural Institute services all aspects of agriculture, including horticulture, forestry and beekeeping. An example of the kind of role the Agricultural Institute would play under the Industrial Planning Authority is seen in their cooperation with Bord na Mona in developing the cutaway bogs for dairying and vegetable-growing. Now, the farmers, backed by the Coalition and Fianna Fail, want the fruits of this cooperation between two State bodies to be handed back to gombeen farmers so that it can be exploited for private profit. For details of the role of Foras Taluntais in planning Ireland's Industrial revolution, see Chapter on Agriculture.

Nitrigin Eireann Teoranta

NET was established in 1961 and went into production in late 1965. It was set up because of the failure of the privately owned fertiliser industry to produce adequate and regular supplies of nitrogenous fertilisers for Irish agriculture. For a detailed comparison of the role of NET and the privately owned fertiliser companies read "Tony O'Reilly's Last Game", published by Sinn Fein The Workers' Party, 1976.

Having quickly achieved its target of a regular supply of nitrogenous fertilisers NET's Arklow factory was extended to manufacture concentrated complete fertilisers. Today the company manufactures anhydrous ammonia, sulphuric, phosphoric and nitric acids, carbon dioxide, oxygen, nitrogen and several other chemicals. In its huge £87 million new plant under construction at Marina Point NET will manufacture fertilisers from the natural gas off Kinsale after the Government has bought the gas back from Marathon. Sinn Fein The Workers' Party has already outlined the crucial role that should be played by N.E.T. in a petrochemical industry based on oil and gas (The Great Irish Oil and Gas Robbery, published by Sinn Fein The Workers' Party 1974). For an analysis of the broader functions of an expanded N.E.T. in Ireland's Industrial revolution see Chapter on Chemicals.

AnCO — The Industrial Training Authority

AnCO was established in 1967 as a result of the total failure of a mean and grasping Irish capitalism to reinvest an adequate percentage of their workers' surplus in training. Only State companies like the ESB and CIE and a handful of efficient private companies, like Guinness, had been attempting to train and retrain workers in their employment. Consequently, the skills of Irish workers at all levels, had fallen well below that of workers in other countries. Irish capitalists were beginning to feel the pinch of their own greedy policies. Once

again, the State came to the rescue of the private sector.

Apart from the professions (sons and daughters of the rich subsidised by the taxpayers at universities), agriculture (catered for by Foras Taluntais) and fishing (catered for by BIM). AnCo is responsible for raising the skills of Irish workers at all levels in both industrial and commercial activities. Private enterprise gets this service from the State at very little cost while the improved skills of the workers ensures a higher surplus for private enterprise.

Bord Faile Eireann

Established in 1955, Bord Faile spends millions of pounds of State money annually, enticing tourists to Ireland to line the pockets of the owners of non-union hotels, guest houses, farmhouse holiday homes etc. In addition, the Bord pays out more millions of pounds in grants to these same gombeens. The Board of Directors of Bord Faile reads like a "Who's Who" of the Irish Hotel and Catering "industry". These directors have the job of allocating State money in grants to themselves and their friends in the tourist business. The minority of hotels that are unionised regularly plead inability to pay National Wage Agreements while the majority of them who are not unionised are notorious for the callous treatment meted out to their workers and frequently refuse to pay even the legal minimum wage drawn up by the Joint Labour Committees of the Department of Labour.

Sinn Fein The Workers' Party sees the establishment of a proper State Tourist Board as a major priority to protect the workers in this sector and to develop the tourist trade in accordance with the overall objectives of our economic policy. We see the State transport companies, the Local Authorities, the Arts Council and Bord Failte, without private vested interests, administering a State owned tourist sector as apart of a plan for the development of social, recreational, and cultural centres in the interests of workers and their families.

The I.D.A.

The Industrial Development Authority is dealt with elsewhere in this book.

There are several other smaller State Agencies who's sole purpose is to help the private sector with money, advice etc:

Coras Trachtala: develops markets abroad, gives design advice at home and, through its associate, Shipping Services Ltd., provides a comprehensive range of transport services for exporters.

An Foras Forbatha provides research, training and information on physical planning and development and offers a wide range of services to privately owned construction companies.

Gaeiltarra Eireann doles out money to gombeens who can fill out the application form in Irish. It indulges in a bit of "State participation" with private enterprise, as well, showing that the Gaeltachts are ready for social democracy. Where there is a particular political need to establish an industry that is guaranteed not to make a profit Gaeltarra sets it up with 100% State control.

Kilkenny Design Workshops were set up by the State to try to get across to Irish gombeens that design wasn't just a thing that someone had on someone else's land, that green wasn't the only colour in the world and that some customers abroad never heard the story of St. Patrick and the shamrock. The Workshops develop new products as well as new designs and bring them to the prototype stage. They also provide technical assistance on new product developments for private enterprise. With entrepreneurs like Sir Basil Goulding on the board it is hardly surprising that some of their output has been described as "Gouldings' Gertilisers". The workshops' activities in the area of "industrial" design are confined to consumer goods, light engineering, graphics and packaging. The output of the Kilkenny Design Workshops

reflects both the preoccupations of Ireland's artistic elite with pastoral sentimentality and individualistic craftsmanship and the national industrial and commercial bourgeoisie's retarded "buy-Irish because its Irish", "small is beautiful because we're small" mentality.

The National Building Agency

This Agency has comprehensive powers whereby it can acquire sites, design houses, select contractors, supervise construction and, most importantly finance housing schemes. The NBA is responsible for approximately one third of all construction but its operations are currently restricted by the domination of the construction industry by private companies and lumpers and by the pandering of the Minister for Local Government, Jimmy Tully, to the private builders who have recently started putting a few pounds into Michael O'Leary's Labour Party Ktty.

The run-down of the larger building firms, Gallagher, McNerney etc. in house building and their replacement by hundreds of small builders and lumpers has been the hall-mark of Tully's reign. Fianna Fail TACAteers have been replaced by Tully's "small men" who in turn have firmly established the domination of the lumper's rump of the Labour Party over the working class and urban membership. Sinn Fein The Workers' Party will not pander to the tacateers or the lumpers but will insure trade unionisation for all workers in the State Construction Company as outlined in the Chapter on the Construction Industry.

The National Social Service Council

This council was established in 1971 to provide information, advice and, more recently, some financial assistance to voluntary bodies. Its existence underlines the lack of commitment of successive Government's to a comprehensive State run social welfare system. The idea that the poor and the needy of our society should have to approach either a local do-gooder or a religious or political hack in order to secure basic human rights is rooted in the reactionary Roman Catholic "principle" of subsidiary with its fundamental anti-socialist bias. The great "defenders" of the dignity of the individual are only too happy to trample on this dignity when their local hegemony is threatened.

Sinn Fein The Workers' Party will establish a comprehensive Social Welfare system administered by properly trained State employees in secure employment and enjoying trade union rights, and conditions. We believe that human dignity demands all citizens are entitled to their social welfare and other benefits as a right and not as a hand-out from those who see "good works" as a stepping stone through the gates of Dail Eireann or the gates of heaven.

Foir Teoranta

The State rescue corporation is the lifeguard who dives in when Irish entrepreneurs have gone under for the third time. The Irish State having paid him the money, built the pool, heated the water, provided the swimming instructor, nursed, fed and clothed its star pupil — a 100% guaranteed Irish capitalist — waits for him to deliver the gold — jobs for the unemployed and school-leavers.

The day before the contest the Irish entry complains that foreign competitors have arrived who are professional, full timers. The star-pupil, himself, having ignored his coach's advice, having dodged his daily exercises and having used up his twelve months supply of meal vouchers in three weeks of self-indulgence is unfit and over-weight. The foreign contestants refuse to leave because, they argue, it is an international league and produce their gilt edged invitations signed by the captain of the Irish team. Neither is it possible to postpone the contest as this has been done twice already.

The star pupil plays his last card. A delegation will go to the Chairman of the Rules

Committee. The delegation will consist of people of substance in the community (politicians, priests, a trade union official etc), plus a couple of victims of the star pupil's victories in the local heats. He is especially pleased that the delegation will be headed by the convenor of the "Reform Enterprise Group" who believes that there should be a different rule book for small contestants. But the chairman of the Rules Committee, himself an Irishman, points out that the whole purpose of these games is to allow all those who are committed to improving the standard of competition and private endeavour to compete side by side. He reminds the R.E.G. convenor, reputed to be of a radical disposition, that Cuba has pulled off a few golds in this contest and has never suggested changing the international rules although they have banned the game at home.

The Irish entry withdraws from the contest halfway through the first lap and is driven to the State rehabilitation centre for non-starters.

Foir Teoranta was established in 1972 to rescue inefficient Irish entrepreneurs. Part of its function is to provide financial assistance where private banks have refused to do so because they consider the firm unsound. When companies helped by Foir Teoranta go bankrupt State money is used to pay off debts owed to other capitalists.

It is clear from the vast range of facilities and services provided by the State for private enterprise that the image of the Irish capitalist as a courageous entrepreneur risking his hard-earned capital so that the rest of us could work and eat is a blatant lie. This lie, disseminated through class-room, pulpit and press since the foundation of the State was refuted for the first time in 1975.

"The Public Sector and the Profit Makers", published in 1975 by Sinn Fein The Workers' Party, outlined how the Public Sector served the interests of private profiteers. That document exposed the lies of the gombeens and the empty rhetoric of the ultra-left which had peddled propaganda against the public sector on behalf of private capitalism and on behalf of Trotskyist paranoia about state bureaucracy. "The Public Sector and the Profit Makers" spelled out for the first time in the history of the Irish left the real contribution of the quarter of a million workers in the Public Sector to the Irish economy.

This publication resulted in workers from the three main areas of the Public Sector — the Civil Service, the State Companies and the Local Authorities — coming together to establish the Committee for the Development and Expansion of the Public Sector (CDEPS). In April 1976 CDEPS published a thirty page programme — "Public Servants for the Public Service" — outlining the case for the development and expansion of the Public Sector. CDEPS has the full and active support of Sinn Fein The Workers' Party.

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The expansion of State companies into profit-making activities and the use of State companies as the engine of Industrial Revolution in Ireland will be resisted not just by open private enterprise mouthpieces like the Confederation of Irish Industry. Opposition will be articulated and given muscle by private enterprise's fifth column within the State companies and especially by the gombeens who sit on the Boards of these companies. Sinn Fein The Workers' Party demands the removal off the boards of State companies of those gombeens whose private interests clash with policy of development and expansion of State industrial and commercial activity.

The following are examples of individuals with vested interests that could be in conflict with an expansionist policy for the State companies with which they are involved:

Name	State Company	Private Interests
1. Denis Coakley	(i) Irish Sugar Co. Chairman & Director	Drummond Seeds Ltd. Agricultural Holdings Co.Ltd. Denis Coakley Ltd. Wagstaff & Wilson Ltd. Silvermines Ltd. Mogul of Ireland Ltd. Glen Chemicals Ltd.
2. John Lepere	Irish Sugar Co. Director	J. Matterson & Sons. Colin McIver Associates W.B. Crawford Ltd. P.J. Carroll & Co. Ltd.
3. Thomas McMahon	(ii)Electricity Supply Board Member of Board	T. McMahon Ltd. M.& G. Supply Ltd. Wavin Pipes Ltd.
4. John A. Ryan	Electricity Supply Board Member of Board	Bank of Ireland Johnston Mooney & O'Brien Irish Distillers.
5. N.G. Weldon	(iii) Aer Lingus Director.	Jury's Hotel Group
6. M.J. Dargan	Aer Lingus Director	Bank of Ireland Fitzwilton Agricultural Trust Cement Roadstone.
7. F.D. Ferguson	Aer Rianta Director	Arks Ltd. Dove Studios Ltd. Scope Films Ltd.
8. John O'Connor	Aer Lingus Director	Fastnet Finance Ltd. Suttons Ltd. Hill Samuel Ltd. Calor Gas (Irl) Ltd. Quigley Co. Ltd.
9. D.F. Flynn	Aer Lingus Director	Joe Keane Ltd. Cooleen Investments Ltd. Carragoona Trust Co. D.J. Brennan & Co.
10. Colm Barnes	(iv) Coras Trachtala Chairman	Northern Bank Finance Corp. Northern Bank Develop.Co. Northern Bank Ltd.

cont.	Name	State Company	Private Interests
	Colm Barnes cont.		Glen Abbey Ltd. Braids Ltd. MLH Consultants Ltd.
11.	Denis Murphy	Coras Trachtala Member of Board	Allied Irish Banks Gulf Ireland Ivernia Exploration Southcoast Boatyard Ltd. Irish Flor Laboratories Cappaquin Bacon Co.
12.	Michael Hanley	(v)Bord Iascaigh Mhara Director	Hanley & Co. Ltd. + other Fish interests.
13.	D.D. Frame	(vi) Irish Steel Holdings Director	Hammond Holdings + 15 other Directorships
14.	P.V. Doyle	(vii)Bord Failte Eireann Chairman.	Private Hotel interests.
15.	J.P. Costello	Bord Failte Eireann	Private Hotel interests.
16.	Ernie Evans	Bord Failte Eireann	Private Hotel interests.
		* * * * *	

To summarise, our existing State companies can be categorised under the following headings:

Group 1. Industry and Production

Electricity Supply Board	Kilkenny Design Workshops,
Bord na Mona	Irish Sugar Company Ltd.
Nitrigin Eireann Teoranta	Eireann Foods
Ceimici Teoranta	Institute for Industrial Research & Standards.

Group 2. Agencies for Sectoral Development

Industrial Development Authority,	Bord Iascaigh Mhara,
Industrial Credit Company	Coras Trachtala,
Shannon Free Airport Develop-	Gaeltarra Eireann,
ment Co. Ltd.	Bord Failte Eireann.

Group 3. Transport and Communications

Aer Lingus	B & I Line.
Aer Rianta	Coras Iompair Eireann,
Irish Shipping Ltd.	Dept. of Posts & Telegraphs & RTE.

Group 4. Training

AnCo Industrial Training Authority.

Group 4. cont.

Institute of Public Administration, Irish Management Institute

Group 5. Research

The Agricultural Institute An Foras Forbatha,
The Economic & Social Research Institute.

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In addition, there are the many services provided by the workers in Local Authorities, Health Boards and the Civil Service. These services are either of direct benefit to private enterprise or are services which are vital for the health and welfare of the community but out of which private enterprise could not make a profit.

The following are some of these services:

Services Provided by Local Authorities

1. Construction, Improvement and Maintenance of Roads and Bridges.
2. Construction, Improvement and Maintenance of Traffic Lights and Street Lights.
3. Provision of Public Housing and Enforcement of Minimum Housing Standards.
4. Provision of Water Supplies.
5. Provision of Sewerage and Drainage.
6. Refuse Collection and Disposal.
7. Street Cleaning and Maintenance of a Healthy Environment.
8. Operation of Fire Brigades and Fire Prevention.
9. Provision and Maintenance of Public Amenities, e.g. Playgrounds, Parks, Swimming Pools, Tree Planting etc.
10. Provision of Mobile and Branch Libraries, and Reference and Information Centres.

Services for Civilisation Provided by Civil Servants

- Education
- Health
- Postal, Telephone and Telegraph
- Social Welfare.
- Compiling, analysing & publishing vital statistics,
- Administering redundancy payments and manpower services.
- Administering State grants to agriculture and industry,
- Enforcing minimum standards of hygiene, safety and wages,

Services Provided by Local Health Boards

1. Maternity Care and Infant Welfare.
2. Hospital and Specialist Treatment
3. Milk Supply for Expectant and Nursing Mothers and for Children under 5 yrs.
4. Maternity Cash Grant.
5. Dental, Ear and Eye Service.
6. School Health Examination for Pupils of National Schools and Child Health Examination for children under 6 years.
7. Tuberculosis and other Infectious Diseases Services.
8. Disabled Persons Allowances.

- 9. Rehabilitation Services.
- 10. Services for Long-term Diseases and Disabilities.
- 11. Welfare of the Blind.
- 12. Drugs, Medicine and Appliances.

The Public Service, comprising the Civil Service, the Local Authorities and Local Health Boards can be proud of its part, alongside State Company workers, in the Public Sector.

What Public Servants Do:

- Teach the young and nurse the sick.
- Drive ambulances and train workers.
- Inspect factories for safety regulations.
- Build roads and bridges.
- Collect refuse.
- Deliver letters.
- Lay waterpipes and put out fires.
- Clean sewerage pipes.
- Lay telephone cables.
- Build factories, schools and houses.
- Drive trains and buses.

The workers in the State Companies are forced to operate within the restrictions imposed by private enterprise through the three political parties of capitalism in Dail Eireann. They are subjected to an unrelenting propaganda campaign by private employers (through business magazines and the national press) who are terrified that the working conditions achieved through the high level of unionisation in State Companies might be demanded from the private sector. For example, the average hourly earnings for turf production (Bord na Mona) in 1975 was 123.5p compared with 107.5p for quarrying which is privately owned and mechanics in Aer Lingus had 200.4p per hour compared with 134.2p for their brothers in privately owned garages.

The Boards of the State companies that are infiltrated by private enterprise hacks will not answer back. The facts speak for themselves and expose the propaganda against State company workers for the pack of lies that it is.

In 1975 the following State Companies produced the following quantities of goods and services:

Bord na Mona workers produced	— 900,288 tons of turf;
	— 2,585,205 tons of milled peat;
	— 317,329 tons of briquettes.
	— 959,810 cubic metres of moss peat.
ESB workers produced	— 7,299 million units of electricity, and stocked rivers with trout.
B & I workers transported	— 108,000 motor cars;
	— 570,000 passengers.
Irish Sugar Co. workers produced	— 174,000 tons of sugar.

And in 1974 the following State Companies produced as follows:

CIE workers carried	— 12 million passengers on rail;
	— 63 million on provincial buses;
	— 220 million on Dublin city buses;
	— and children to the number of 140,500 every day to school free of charge.
Irish Steel Holdings' workers produced	— 107,782 tons of steel — 96 tons per worker.
Aer Lingus carried	— 1,807,950 passengers;
	— 66,207 tons of cargo.

Sinn Fein The Workers' Party was the only political party to condemn Richie Ryan's attack on public sector workers in October 1975. We published a pamphlet making the case for the Public Sector and exposing the propaganda of the private gombeens and their political mouthpieces. Our members fought within the trade unions against the attempt to blame public sector workers for the crimes committed against private sector workers by the private employers. We fought within the broad labour and trade union movement for the acceptance of our party's policy of expanding the existing State sector as first outlined in "The Great Oil & Gas Robbery" in 1974.

When Sinn Fein The Workers' Party first published its comprehensive policies for the expansion of existing State companies the "orthodox" left found the whole idea amusing. Phrases like "State-companyism" were coined to describe our "pre-occupation". Having seen the wide support for our policies within the Trade Union and working class movement these same people began to parrot our policies as their own. From the Labour Party itself to micro factions both within and without the Labour Party the slogan of Sinn Fein The Workers' Party's Ard Fheis in January 1976 — "Expand the State Sector" has been taken up and made "their own". We are pleased and not a little amused. We do not have to coin a phrase to describe this phenomenon. Plagiarism and plagiarists have been part of politics for a long time. Sinn Fein The Workers' Party will continue to expose those who plagiarise in the interest of the working class. Meanwhile, we welcome the growing consciousness of trade unionists and workers on the role of the public sector and close this section with a poem from the Christmas 1976 issue of "Review", the monthly publication of the Civil Service Executive Union:

Perhaps:
A pity the Public Sector
Should trouble, like a spectre,
The mind of the Director
Of fiscal policies!

Perhaps he would placate
The dear electorate
By calumnies ingrate
And grudges old and new.

Perhaps he fools the 'workers'
That we are shiftless shirkers
Lie little creepy lurkers
Under damp stones and rocks,

Drones of the national hive
Whose 'workers' strain and strive
To keep snugly alive
In a glassy bee-loud shade.

Perhaps the perplexed Richie
Is driven to be bitchy
Because of fingers itchy
And anti-bourgeois bias.

Perhaps his perturbation
Is a love-hate relation,
And all this subtle pay fun
Is just to show he cares.

Some such up-dated Freud
Might say why he's annoyed
At us, the State-employed,
Who keep him in his place.

Perhaps he wants to rate
Us for the Nation's state
Where men accumulate
And wealth decays.

APPENDIX 2

**Top Banks Link to Industry Through "Personal Union" —
A Sample:**

BANK	PERSONAL UNION	INDUSTRY
Bank of Ireland	John A. Ryan (Governor)	Irish Distillers (5)
Bank of Ireland	M.J. Dargan (Director)	Cement Roadstone (1)
Bank of Ireland	P.J. McGrath "	Waterford Glass (4)
Bank of Ireland	Basil Goulding "	Fitzwilton (4)
Bank of Ireland	Donal Carroll	Carrolls (6)
Allied Irish Banks	Liam St.J. Devlin	Jones Group (29)
Allied Irish Banks	Declan Dwyer	Sunbeam Wolsey (14)
Midland Group (Northern Bank)	Colm Barnes	Cement Roadstone (1)
Westminster Bank (Ulster Investment Bank)	Vincent Ferguson	Fitzwilton (2)
Westminster Bank	Tony O'Reilly	Fitzwilton (2) Independent Newspapers, (2).

**Top Industries Link to Banks Through "Personal Union"—
A Sample:**

INDUSTRY	PERSONAL UNION	BANK
(1) Cement Roadstone	M.J. Dargan	Bank of Ireland
Cement Roadstone	Colm Barnes.	Northern Banks.
Cement Roadstone	F.D. Thompson	Trinity Bank.
(2) Fitzwilton	Basil Goulding	Bank of Ireland.
	Tony O'Reilly	Ulster Bank
		(Westminster Group)
	Vincent Ferguson	Ulster Bank.
(3) Jefferson Smurfit	E. Ryan	Ulster Investment Bank
		(Westminster Group)
	J. Jefferson (Sr.)	Algemene Bank
		(Netherlands).
(4) Waterford Glass	P.J. McGrath	Bank of Ireland.
(5) Irish Distillers	J.A. Ryan	Bank of Ireland.
	Kevin McCourt	Algemene Bank (Nether).
(6) Abbey Ltd.	M.J. Murphy	Allied Irish Banks.
(7) P.J. Carroll	Donal Carroll	Bank of Ireland*
		Central Bank.

Note: The number in brackets before the industry denotes placing in The Irish Times Industrial Index 1975. The Bank of Ireland and AIB are the Top Companies as distinct from industrial companies.

* The link between Finance Capital and the Central Bank is seen in the "Personal Union" here.

APPENDIX 3

The Northern Economy — Fundamental Trends with Reference to Southern Ireland prepared by Research Section Belfast Republican Clubs - The Workers' Party.

Introduction:

This commentary is a preliminary outline of the present state of the northern economy. The work of the Belfast Research Section over the past two years indicates the correctness of the conclusions reached by the Research Section in the South. Our initial investigations confirm the three basic tendencies revealed in this book are also apparent in Northern Ireland. These three tendencies are firstly the growing importance of American monopoly capital, the reactionary attempts of a Catholic and Protestant bourgeoisie to exploit the sectarian situation in order to introduce backward economic politics and the importance of expanding the Public Sector as the only way forward at the present time.

In general also we have identified that the role of the multi-nationals has been objectively progressive in that foreign non-British investment over the past five years was the only factor compensating for jobs lost in the private retarded economic sector of Northern Ireland.

This book's identification of the backward role of the southern bourgeoisie is fully echoed by the actions of the northern bourgeoisie which actively aided and abetted by Provisional and ultra-leftist terrorist activities tried to introduce small scale gombeen capitalism to such bodies as the Local Enterprise Development unit to a plethora of "co-ops" and community projects most of which were cloaks for gombeen capitalist entrepreneurs of both Loyalist or Hibernian persuasion.

The most backward tendency to date is the effort by northern bourgeois groupings such as the Baird/Craig/West junta to tinker with notions of UDI supported by their petty bourgeois counterparts in the Provisional and "socialist republican" factions. Any "Independent Ulster" can only exist on the basis of a revival of northern small scale capitalism. This is now historically impossible. If an Independent Ulster exists on the basis of British or foreign investment it is not in any sense 'independent'.

Avoiding both the sham of an "Independent Ulster" which can never be independent in the economic sense and all other attempts to turn back the clock of history by attempting to substitute gombeen co-ops for large scale capitalism, the progressive demand is for a recognition of the reality of the northern economy. This means a three-fold policy on behalf of the working class. First, support for the ICTU "Better Life For All" Campaign and the winning of peace in the community so that industrial struggle can be resumed in plant and factory. Secondly, a refusal to allow the British Government to pull out its Public Sector investment which guarantees the jobs of thousands of northern workers. Thirdly, the recognition of the objectively progressive role of foreign investment in strengthening the northern working class and a strenuous resistance against the gombeen capitalism of the Hibernian and Loyalist type.

The analysis which follows clearly shows that until the sectarian campaign obstructed its progress that monopoly capital was objectively integrating the economies of the north and south. The work of the NIFC in the north and the IDA in the south, the massive investment of American monopoly capital, was creating in the 1960's a similar objective world for northern and southern workers. The prospects for unity in the wage struggle against monopoly under the leadership of the ICTU were becoming brighter by the day. The sectarian slaughter blocked these developments and allowed the revival of the dying northern capitalist class as well as giving a lease of life to the southern capitalist class by distracting working

class attention from the class struggle to a mythical national question.

This analysis therefore is an attempt to clarify the fact that for the foreseeable future an all Ireland party of the working class will have to conduct its activities within two repressive states. Despite the pressures and difficulties of political work in this situation a serious working class party must attempt to assist all advanced economic activity which helps to integrate the two economies. The economic question and not the 'national' question offers the most durable foundation on which to unite the Irish working class and so lay down the ultimate foundation, by consensus, of an Irish Workers' Republic.

The Northern Economy — General:

Northern Ireland defined as a region within the United Kingdom has been the least prosperous of the larger regions of the U.K. with the highest percentage unemployment and the lowest average income per head. In the past 70 years Northern Ireland's town population has doubled, but its rural population has declined by a third. In Agriculture only 10% of total at work are employed in Agriculture as opposed to 20% in Republic. But over 50% of Northern Ireland's farms are less than 30 acres, 70% are less than 35 acres — a much higher predominance of small farmers than in the Republic.

Population and Employment Trends Compared with the IDA's East Region (Leinster).

It is useful to study the integration of capitalism by comparing Northern Ireland with the IDA's East region (Leinster) and the policies of the Ministry of Commerce (NI) with those of the IDA;

Population: The proportion of N.I.'s population in villages and towns was 45.8% in 1961, 53.2% in 1966 and 55% in 1971. In the Republic it was 55.4% in 1961, 58.2% in 1956 and 58.9% in 1971.

Employment — Compare	Agriculture	Industry	Services.
Northern Ireland	10	43.2	46.8
East Region	7.4	37.5	54.8

Conclusion: In population and employment trends there is no striking differences between Northern Ireland and East Region.

Manufacturing in Northern Ireland:

An analysis of manufacturing in Northern Ireland shows interesting trends. In 1949 ship-building and traditional textiles dominated manufacturing industry, providing over 55% of manufacturing employment. By 1968, they had declined to employing less than 30%. The restructuring of the economy that went on between World War II and beginning of bombing campaign can be seen as follows:

	1949	1958	1968
Linen	36.2	26.5	15.8
Other Textiles Including man-made fibres	3.5	5.2	10.5
Mechanical & Electrical Engineering	7.6	11.9	16.8
Other Engineering	20.4	19.4	13.2
Food, Drink, Tobacco	11.2	14.9	16.0
Mineral Products	1.8	2.0	2.4
Timber & Furniture	2.1	1.6	2.0
Paper Printing	2.6	2.8	3.3
Clothing	12.4	13.8	14.8
Other Manufactures	<u>2.2</u>	<u>1.9</u>	<u>5.2</u>
	100.0	100.0	100.0

The Significance of these Figures:

The most dramatic increases here have been the growth of man-made fibres in textiles, which replaced the dramatic decline in linen. The other significant increase is the growth of mechanical and electrical engineering. This entire sector — chemical, mechanical and electrical is reflected in the strength of the unions in these areas such as AUEW. Northern Ireland has a significant and growing chemical engineering base. This despite the contraction in "other engineering", reflects the decline in shipbuilding. There has been a rapid growth in the clothing sector and in the processing of livestock. There is also a significant increase in mining and quarrying. The conclusion to be drawn is that the existing industrial base is much stronger than it was 20, 10 or even 5 years ago.

Side by side with this chemical engineering growth has come an expansion of public service employment, in health, education and finance. Put on the negative side between 1970 and June 1972, there was a decline in manufacturing employment, which can be attributed to the bombing campaign and civil unrest. In June 1972, the numbers employed in manufacturing were 3,500 lower than the total manufacturing employment of 177,000 in June 1968. (173,000). The worst decrease was between March 1973 and June 1973.

This blow by the bombing campaign against the emergence of the chemical engineering based industrial working class is compounded by the fact that any slack is taken up, not by outside projects but by native NI capitalism. According to one confidential (sic) report "The vacuum caused by the death of new industry has been largely taken up by the expansion of industry already existing in the province."

Let us be quite clear what this means. In the 1960s the huge increase in chemical engineering jobs was caused by investment by the multi-nationals and had a progressive effect on expanding the progressive engineering sector. The importance of this sector is stressed in "Marxism Today", the theoretical journal of the British Communist Party, June 1970, March-October 1973, and the following remark from Moscow's respected journal, "Questions of Economics":

"Being guided by the Leninist principles for determining classes, we must include in the composition of the proletariat the category of wage-earners which is growing most rapidly, technicians, qualified engineers, scientists, teachers...."

The importance of resuming the growth of these sectors, instead of the reactionary old gombeen capitalism of Ulster is underlined by the fact that polyesters are at the centre of the man-made textile boom. The discovery of Irish offshore oil and gas means that the raw materials for the All-Ireland expansion of the chemical engineering base in Northern Ireland can easily be put into operation, on a State basis.

The Importance of Taking Sides:

Basically the Provo bombing campaign interrupted a death struggle between Ulster capitalism, of whom the political expression is UDI and the Baird/Craig/West group on the one hand and on the other the multi-nationals, of whom the instruments are the Ministry of Commerce, the Northern Ireland Finance Corporation and the ICTU Northern Committee. On the work floor, as well as on the political front, progressive advance lies unequivocally on the side of the latter. The Ministry of Commerce and the NIFC have between them placed Northern Ireland explicitly in the hands of the multi-nationals. In an increasing world crisis as the multi-nationals develop difficulties, the only way forward will be to full state control. Support for UDI or the Ulster gombeens on the other hand will give credibility to the political ideology they represent as well as being doomed historically to failure.

Therefore when Billy Blease is quoted in European magazines as saying, "We understand full well that profitability has to be assured if new industry is to expand," and is further

quoted as pointing out that "Less than 4% of all Northern Ireland workers were involved during 1973 in any form of industrial dispute," we see this in the perspective of the struggle against Ulster capitalism. Foreign industry means a progressive industrial base, explicit imperialist control and a vast work force which in times of crisis is open instantly to the argument for state socialism rather than feudal and reactionary appeals of the 'Buy Irish' nature.

The Role of Foreign Investment and American Monopoly:

One statistic is critical here. In 1974, 44% of all manufacturing industrial employment in Northern Ireland was created by 24 subsidiaries of American or British corporations. The importance of foreign investment underlines the weakness of the UDI Northern capitalist class.

Gross Profits of 16 Imperialist Firms 1973/'74

Courtaulds (UK)	£25m.	ITT (US)	£21m.
Brit.Enkalor (Dutch)	£16m.	Berkshire (UK)	£4m.
Dupont (US)	£10m.	Carreras (UK)	£3m.
Hoescht (Ger.)	£5m.	Fords (US)	£3m.
Goodyear (US)	£10m.	GEC (US)	£3m.
ICI (UK)	£14m.	Galaher (US)	£13m.
Michelin (Fr.)	£22m.	Grundig (Ger)	£3m.
Monsanto (US)	£5m.	Int. Eng. (UK)	£4m.

Total Gross Profit of 16 = £161m.

These 16 monopoly capitalist subsidiaries in the financial year 1973/74 made £161m out of N.I. labouring power, divided as follows:

U.S.	Monopoly Capital	£65m.
Brit.	" "	£50m.
French	" "	£22m.
Dutch	" "	£16m.
German	" "	£8m.

At the same time as taking these profits, these firms were creating a new industrial working class and liquidating the Craig/West dependence on Britain by substituting American EEC capital. Thus the contradiction of Imperialism was made acute.

The sharpening of these contradictions is the primary task of a working class party. Peace and work are therefore the correct demands for North and South.

Appendix 4

Capitalist Betrayal of the Irish Volunteers (from Labour in Irish History by James Connolly)

“Remember still, through good and ill,
How vain were prayers and tears,
How vain were words till flashed the swords
of the Irish Volunteers.” — Thomas Davis.

The theory that the fleeting “prosperity” of Ireland in the time we refer to was caused by the Parliament of Grattan is only useful to its propagators as a prop to their argument that the Legislative Union between Great Britain and Ireland destroyed the trade of the latter country and that, therefore, the repeal of that Union would lead to the re-establishment of Irish manufactures on a paying basis. The fact that the Union placed all Irish manufactures upon an absolutely equal basis legally with the manufactures of England is usually ignored, or worse still, is so perverted in its statement as to leave the impression that the reverse is the case. In fact many thousands of our countrymen still believe that English laws prohibit mining in Ireland after certain minerals, and the manufacture of certain articles.

A moment’s reflection should remove such an idea. An English capitalist will cheerfully invest his money in Timbuctoo or China, or Russia, or anywhere that he thinks he can secure a profit, even though it may be in the territory of his mortal enemy. He does not invest his money in order to give employment to his workers, but to make a profit, and hence it would be foolish to expect that he would allow his Parliament to make laws prohibiting him from opening mines or factories in Ireland to make a profit out of the Irish workers. And there are not, and have not been since the Union, any such laws.

If the student desires to continue the study of this remarkable controversy in Irish history and to compare this Parliamentary theory of Irish industrial decline with that we have just advanced — the Socialist theory outlined in our previous chapter — he has an easy and effective course to pursue in order to bring this matter to the test. Let him single out the most prominent of the exponents of Parliamentaryism and propound the following question:

Please explain the process by which the removal of Parliament from Dublin to London — a removal absolutely unaccompanied by any legislative interference with Irish industry — prevented the Irish capitalist class from continuing to produce goods for the Irish market?

He will get no logical answer to his question — no answer that any reputable thinker on economic questions would accept for one moment. He will instead undoubtedly be treated to a long enumeration of the number of tradesmen and labourers employed at manufactures in Ireland before the Union, and the number employed at some specific period, 20 or 30 years afterwards. This was the method adopted by Daniel O’Connell, the Liberator, in his first great speech in favour of Repeal of the Union, the speech in which he began his Repeal agitation, and has been slavishly copied and popularised by all his imitators since. But neither O’Connell nor any of his imitators have ever yet attempted to analyse and explain the process by which those industries were destroyed. The nearest approach to such an explanation ever assayed is the statement that the Union led to absentee landlordism and the withdrawal of the custom of these absentees from Irish manufacturers. Such an explanation is simply no explanation at all. It is worse than childish. Who would seriously contend that the loss of a few thousand aristocratic clients killed, for instance, the leather industry, once so flourishing in Ireland and now scarcely existent. The district in the city of Dublin

which lies between Thomas Street and the South Circular Road was once a busy hive of such men engaged in the tanning of leather and all its allied trades. Now that trade has almost entirely disappeared from this district. Were the members of the Irish Parliament and the Irish landlords the only wearers of shoes in Ireland?— the only persons for whose use leather was tanned and manufactured? If not, how did their emigration to England make it impossible for the Irish manufacturer to produce shoes or harness for the millions of people still left in the country after the Union? The same remark applies to the weavers, once so flourishing a body in the same district, to the woollen trade, to the fishing trade, to the iron trade, to the flour milling trade, and so on down along the line. The people of Ireland still wanted these necessities of life after the Union just as much as before, yet the superficial historian tells us that the Irish manufacturer was unable to cater to their demand and went out of business accordingly. Well, we Irish are credited with being gifted with a strong sense of humour, but one is almost inclined to doubt it in face of the gravity with which this Parliamentary theory has been accepted by the masses of the Irish people.

It surely is an amusing theory when we consider that it implies that the Irish manufacturers were so heartbroken grieving over losing the trade of a few thousand rackrenting landlords that they could not continue to make a profit by supplying the wants of the millions of Irish people at their doors. The English and the Scotch, the French and the Belgian manufacturers, miners, merchants, and fishermen could and did wax fat and prosperous by supplying the wants of the Irish commonality, but the Irish manufacturer could not. He had to shup up shop and go to the poorhouse because my Lord Rackrent of Castle Rackrent, and his immediate personal following, had moved to London.

If our Parliamentary historians had not been the most superficial of all recorders of history; if their shallowness had not been so phenomenal that there is no equal to it to be found except in the bigotry and stupidity of their loyalist rivals they might easily have formulated from the same set of facts another theory equally as useful to their cause, and more in consonance with the truth. That other theory may be stated thus:

That the Act of Union was made possible because Irish manufacture was weak, and, consequently, Ireland had not an energetic capitalist class with sufficient public spirit and influence to prevent the Union.

Industrial decline having set in, the Irish capitalist class was not able to combat the influence of the corruption fund of the English Government, or to create and lead a party strong enough to arrest the demoralisation of Irish public life. This we are certain is the proper statement of the case. Not that the loss of the Parliament destroyed Irish manufacture, but that the decline of Irish manufacture, due to causes already outlined, made possible the destruction of the Irish Parliament. Had a strong, enterprising and successful Irish capitalist class been in existence in Ireland a Parliamentary reform investing the Irish masses with the suffrage would have been won under the guns of the Volunteers without a drop of blood being shed, and with a Parliament elected under such conditions the Act of Union would have been impossible. But the Irish capitalist class used the Volunteers to force commercial reforms from the English Government and then, headed by Henry Grattan, forsook and denounced the Volunteers when that body sought by reforming the representative system to make it more responsive to the will of the people, thus to secure in peace what they had won by the threat of violence. An Ireland controlled by popular suffrage would undoubtedly have sought to save Irish industry while it was yet time by a stringent system of protection, which would have imposed upon imported goods a tax heavy enough to neutralise the advantages accruing to the foreigner from his coal supply; and such a system might have averted that decline of Irish industry which, as we have already stated, was otherwise inevitable. But the only hope of realising that Ireland lay then in the armed force of the

Volunteers, and as the capitalist class did not feel themselves strong enough as a class to hold the ship of state against the aristocracy on the one hand and the people on the other they felt impelled to choose the only other alternative — viz., to elect to throw in their lot with one or other of the contending parties. They chose to put their trust in the aristocracy, abandoned the populace, and went down into bankruptcy and slavery with the class they had betrayed.

A brief glance at the record of the Volunteer movement will illustrate the far-reaching treachery with which the capitalist class of Ireland emulated their aristocratic compatriots who

“Sold for place or gold
Their country and their God,”

but, unlike them, contrived to avoid the odium their acts deserved.

At the inception of this movement Ireland was under the Penal Laws. Against the Roman Catholic, statutes unequalled in ferocity were still upon the statute books. Those laws, although ostensibly designed to convert Catholics to the Protestant Faith, were in reality chiefly aimed at the conversion of Catholic-owned property into Protestant-owned property. The son of a Catholic property holder could dispossess his own father and take possession of his property simply by making affidavit that he, the son, had accepted the Protestant religion. Thenceforth the father would be by law a pensioner upon the son's bounty. The wife of a Catholic could deprive her husband of all control over his property simply by becoming a Protestant. A Catholic could not own a horse worth more than £5. If he did any Protestant could take his horse from him in the light of day and give him £5 in full payment of all rights in the horse. On the head of a Catholic schoolmaster or a Catholic priest the same price was put on the head of a wolf. Catholics were eligible to no public office, and were debarred from most of the professions.

In fact the Catholic religion was an illegal institution. Yet it grew and flourished, and incidentally it may be observed it secured a hold upon the affections and in the hearts of the Irish people as rapidly as it lost the same hold in France and Italy, where the Catholic religion was a dominant state institution — a fact worth noting by those Catholic who are clamouring for the endowment of Catholic institutions out of public funds.

It must be remembered by the student, however, that the Penal Laws, although still upon the statute book, had been largely inoperative before the closing quarter of the eighteenth century. This was not due to any clemency on the part of the English Government, but was the result of the dislike of those laws felt by the majority of intelligent Irish Protestants. The latter simply refused to take advantage of them even to their personal aggrandisement, and there are very few cases on actual record where the property of Catholics was wrested from them by their Protestant neighbours as a result of the Penal Laws in the generations following the close of the Williamite war. These laws were in fact too horrible to be enforced, and in this matter public opinion was far ahead of legislative enactment. All historians agree upon this point.

Class lines, on the other hand, were far more strictly drawn than religious lines, as they always were in Ireland since the break up of the clan system, and as they are to this day. We have the words of such an eminent authority as Archbishop Whately in this connection which coming as they do, from the pen of a supporter of the British Government and of the Protestant Establishment, are doubly valuable as a witness to the fact that Irish politics and divisions turn primarily around questions of property and only nominally around questions of religion. He says:—

“Many instances have come to my knowledge of the most furious Orangemen stripping

their estates of a Protestant tenantry who had been there for generations and letting their land to Roman Catholics... at an advance of a shilling an acre."

These Protestants so evicted, be it remembered, were the men and women whose fathers had saved Ireland for King William and Protestantism as against King James and Catholicity, and the evictions here recorded were the rewards of their fathers' victory and their own fidelity. In addition to this class line on the economic field the political representation of the country was the exclusive property of the upper class.

A majority of the members of the Irish Parliament sat as the nominees of certain members of the aristocracy who owned the estates on which the boroughs they "represented" were situated. Such boroughs were called "Pocket Boroughs" from the fact that they were as much under the control of the landed aristocrats as if he carried them in his pocket. In addition to this, throughout the entire island the power of electing members of Parliament was the exclusive possession of a privileged few. The great mass of the Catholic and Protestant population were voteless.

This was the situation when the Volunteer movement arose. There were thus three great political grievances before the Irish public. The English Parliament had prohibited Irish trade with Europe and America except through an English port, thus crippling the development of Irish capitalism; representation in the House of Commons in Dublin was denied alike to Protestant and Catholic workers, and to all save a limited few Protestant capitalists, and the nominees of the aristocracy; and finally all Catholics were suffering under religious disabilities. As soon as the Volunteers (all of whom were Protestants) had arms in their hands they began to agitate for the removal of all these grievances. On the first all were unanimous, and accordingly when they paraded the streets of Dublin on the day of the assembling of Parliament, they hung upon the mouths of their cannon placards bearing the significant words:

FREE TRADE OR ELSE—

and the implied threat from a united people in arms won their case. Free Trade was granted. And at that moment an Irish Republic could have been won as surely as Free Trade. But when the rank and file of the Volunteers proceeded to outline their demands for the removal of their remaining political grievances — to demand popular representation in Parliament — all their leaders deserted. They had elected aristocrats, glib-tongued lawyers and professional patriots to be their officers, and all the higher ranks betrayed them in their hour of need. After the granting of Free Trade a Volunteer convention was summoned to meet in Dublin to consider the question of popular representation in Parliament. Lord Charlemont, the commander-in-chief of the body, repudiated the convention; his example was followed by all the lesser fry of the aristocratic officers, and finally when it did meet Henry Grattan, whose political and personal fortunes the Volunteers had made, denounced them in Parliament as "an armed rabble."

The Convention after some fruitless debate adjourned in confusion, and on a subsequent attempt to convene another Convention the meeting was prohibited by Government proclamation and the signers of the call for the assembly were arrested and heavily fined. The Government, having made peace in America, with the granting of American independence, had been able to mass troops in Ireland and prepare to try conclusions with the Volunteers. Its refusal to consider the demand for popular representation was its gauge of battle, and the proclamation of the last attempt at a Convention was the sign of its victory. The Volunteers had, in fact, surrendered without a blow. The responsibility for this shameful surrender rests entirely upon the Irish capitalist class. Had they stood by the reformers the defection of the aristocracy would have mattered little, indeed it is certain that the radical

element must have foreseen and been prepared for that defection. But the act of the merchants in throwing in their lot with the aristocracy could not have been foreseen; it was too shameful an act to be anticipated by any but its perpetrators. It must not be imagined, moreover, that these reactionary elements made no attempt to hide their treason to the cause of freedom.

On the contrary, they were most painstaking in keeping up the appearance of popular sympathies and in endeavouring to divert public attention along other lines than those on which the real issues were staked. There is a delicious passage in the "Life of Henry Grattan" edited by his son, describing the manner in which the Government gained possession of the arms of the various corps of Dublin Volunteers, which presents in itself a picture in microcosm of very many epochs of Irish history and illustrates the salient characteristics of the classes and the part in Irish public life.

Dublin is Ireland in miniature; nay, Dublin is Ireland in concentrated essence. All that makes Ireland great or miserable, magnificent or squalid, ideally revolutionary or hopelessly reactionary, grandly unselfish or vilely treacherous, is stronger and more pronounced in Dublin than elsewhere in Ireland. Thus the part played by Dublin in any National crisis is surely to be a metropolitan setting for the role played by the same passions throughout the Irish provinces. Hence the value of the following unconscious contribution to the study of Irish history from the pen of the son of Henry Grattan.

In Dublin there were three divisions of Volunteers — corresponding to the three popular divisions of the "patriotic" forces. There was the Liberty Corps, recruited exclusively from the working class; the Merchant Corps, composed of the capitalist class, and the Lawyer Corps, the members of the legal fraternity. Henry Grattan, Jr., telling of the action of the Government after the passage of the "Arms and Gun-powder Bill" requiring the Volunteers to give up their arms to the authorities for safe keeping, says the Government "seized the artillery of the Liberty Corps, made a private arrangement by which it got possession of that belonging to the Merchant Corps; they induced the lawyers to give up theirs, first making a public procession before they were surrendered."

In other words and plainer language, the Government had to use force to seize the arms of the working men, but the capitalists gave up theirs secretly as a result of a private bargain, the terms of which we are not made acquainted with; and the lawyers took theirs through the streets of Dublin in a public parade to maintain the prestige of the legal fraternity in the eyes of the credulous Dublin workers, and then while their throats were still husky from publicly cheering the "guns of the Volunteers", privately handed those guns over to the enemies of the people.

The working men fought, the capitalists sold out, and the lawyers bluffed.

Then, as ever in Ireland, the fate of the country depended upon the issue of the struggle between the forces of aristocracy and the forces of democracy. The working class in town and the peasantry in the country were enthusiastic over the success of the revolutionary forces in America and France, and were burning with a desire to emulate their deeds in Ireland. But the Irish capitalist class dreaded the people more than they feared the British Government, and in the crisis of their country's fate their influence and counsels were withdrawn from the popular side. Whilst this battle was being fought out with such fatal results to the cause of freedom there was going on elsewhere in Ireland a more spectacular battle over a mock issue. And as is the wont of things in Ireland this sham battle engrosses the greatest amount of attention in Irish history. We have already alluded to the Henry Flood who made himself conspicuous in the Irish Parliament by out-Heroding Herod in his denunciation of the Government for failing to hang enough peasants to satisfy him. Mr. Henry Grattan we have also introduced to our readers. These two men were the Parliamentary leaders of the "patriot

party" in the House of Commons — the "rival Harries," as the Dublin crowd sarcastically described them. When the threat of the Volunteers compelled the English authorities to formally renounce all its rights to make laws binding the Irish Parliament these two patriots quarrelled, and, we are seriously informed by the grave and learned historians, the subject of their quarrel divided all Ireland. In telling us what that subject was we hope our readers will not accuse us of fooling; we are not, although the temptation is almost irresistible. We are soberly stating the historical facts. The grave and learned historians tell us that Grattan and Flood quarrelled because Flood insisted that England should be required to promise that it would never again interfere to make laws governing the Irish Parliament, and Grattan insisted that it would be an insult to the honour of England to require any such promise.

As we have said, the grave and learned historians declare that all Ireland took sides in this quarrel, even such a hater of England as John Mitchel in his *History of Ireland* seemingly believes this to be the case. Yet we absolutely refuse to give any credence to the story. We are firmly convinced that while Grattan and Flood were splitting the air with their declamations upon this subject, if an enquirer had gone down into any Irish harvest field and asked the first reaper he met his opinion of the matter, the said reaper would have touched the heart of the question without losing a single swing of his hook. He would have said truly:

"An' sure, what does it matter what England promises? Won't she break her promise, anyway, as soon as it suits her, and she is able to?"

It is difficult to believe that either Grattan or Flood could have seriously thought that any promise would bind England, a country which even then was notorious all over the world for broken faith and dishonoured treaties. Today the recital of the facts of this famous controversy looks like a poor attempt at humour, but in view of the tragic setting of the controversy we must say that it bears the same relation to humour that a joke would in a torture chamber. Grattan and Flood in this case were but two skilful actors indulging in oratorical horse-play at the death-bed of the murdered hopes of a people. Were any other argument, outside of the absurdity of the legal hair-splitting on both sides, needed to prove how little such a sham battle really interested the great mass of the people the record of the two leaders would suffice. Mr. Flood was not only known to be an enemy of the oppressed peasantry and a hater of the Catholics — that is to say, of the great mass of the inhabitants of Ireland — but he had also spoken and voted in the Irish Parliament in favour of a motion to pay the expenses of an army of 10,000 British soldiers to be sent to put down the Revolution in America, and Mr. Grattan on his part accepted a donation of £50,000 from the Government for his "patriotic" services and afterwards in excess of gratitude for this timely aid repaid the Government by betraying and denouncing the Volunteers.

On the other great questions of the day they were each occupying an equivocal position, playing fast and loose. For instance:

Mr. Flood believed in Democracy — amongst Protestants, but opposed religious freedom.

Mr. Grattan believed in religious freedom — amongst property owners, but opposed all extension of the suffrage to the working class.

Mr. Flood would have given the suffrage to all Protestants rich or poor, and denied it to all Catholics, rich or poor.

Mr. Grattan would have given the vote to every man who owned property, irrespective of religion, and he opposed its extension to any propertyless man. In the Irish House of Commons he bitterly denounced the United Irishmen, of whom we will treat later, for proposing universal suffrage, which he declared would ruin the country and destroy all order.

It will be seen that Mr. Grattan was the ideal capitalist statesman; his spirit was the spirit of the bourgeoisie incarnate. He cared more for the interests of property than for human rights or for the supremacy of any religion.

His early bent in that direction is seen in a letter he sent to his friend, a Mr. Broome, dated November 3, 1767, and reproduced by his son in the latter's edition of the life and speeches of his father. The letter shows the eminently respectable, anti-revolutionary, religious Mr. Henry Grattan to have been, at heart, a free thinker, free lover and epicurean philosopher, who had early understood the wisdom of not allowing these opinions to be known to the common multitude whom he aspired to govern. We extract:

"You and I, in this as in most other things, perfectly agree; we think marriage is an artificial, not a natural institution, and imagine women too frail a bark for so long and tempestuous a voyage as that of life... I have become an epicurean philosopher; consider this world as our 'ne plus ultra', and happiness as our great object in it... Such a subject is too extensive and too dangerous for a letter; in our privacy we shall dwell upon it more copiously."

This, be it noted is perhaps not the Grattan of the poet Moore's rhapsody, but it is the real Grattan.

Small wonder that the Dublin mob stoned this Grattan on his return from England, on one occasion, after attending Parliament in London. His rhetoric and heroics did not deceive them, even if they did bewitch the historians. His dramatic rising from a sick bed to appear before the purchased traitors who sold their votes to carry the Union, in order to appeal to them not to fulfil their bargain, makes indeed a fine tableau for romantic historians to dwell upon, but it was a poor compensation to the common people for the Volunteers insulted and betrayed, and the cause of popular suffrage opposed and misrepresented.

A further and, to our mind, conclusive proof of the manner in which the "Parliament of '82" was regarded by the real Nationalists and progressive thinkers of Ireland is to be found in the extract below from the famous pamphlet written by Theobald Wolfe Tone and published September, 1791, entitled "An Argument on behalf of the Catholics of Ireland." It is interesting to recall that this biting characterisation of the "glorious revolution of 1782" from the pen of the most far-seeing Irishman of his day, has been so little to the liking of our historians and journalists that it was rigidly boycotted by them all until the present writer reprinted it in 1897, in Dublin, in a series of "'98 Readings," containing also many other forgotten and inconvenient documents of the same period. Since then it has several times been republished exactly as we reprinted the extract, but to judge by the manner in which some of our friends still declare they "stand upon the constitution of '82," it has been published in vain for some people.

Wolfe Tone on Grattan's Parliament

(Extract from the famous pamphlet, "An Argument on behalf of the Catholics of Ireland," published September, 1791).

"I have said that we have no National Government. Before the year 1782 it was not pretended that we had, and it is at least a curious, if not a useful, speculation to examine how we stand in that regard now. And I have little dread of being confuted, when I assert that all we got by what we are pleased to dignify with the name of Revolution was simply the means of doing good according to law, without recurring to the great rule of nature, which is above all positive Statutes; whether we have done good or not, why we have omitted to do good is a serious question. The pride of the nation, the vanity of individuals concerned, the moderation of some honest men, the corruption of knaves, I know may be alarmed when I assert that the revolution of 1782 was the most bungling, imperfect business that ever threw ridicule on a lofty epithet, by assuming it unworthily. It is not pleasant to any Irishman to make such a concession, but it cannot be helped if truth will have it so. It is much better that we should know and feel our real state, than delude ourselves or be

gulled by our enemies with praises which we do not deserve, or imaginary blessings which we do not enjoy.

"I leave to the admirers of that era to vent flowing declamations; it is a fine subject, and peculiarly flattering to my countrymen, many of whom were actors, and almost spectators of it. Be mine the unpleasing task to strip it of its plumage and its tinsel, and show the naked figure. The operation will be severe, but if properly attended to may give us a strong and striking lesson of caution and wisdom.

"The Revolution of 1782 was a Revolution which enabled Irishmen to sell at a much higher price their honour, their integrity, and the interests of their country; it was a Revolution which, while at one stroke it doubled the value of every borough-monger in the kingdom left three-fourths of our countrymen slaves as it found them, and the government of Ireland in the base and wicked, and contemptible hands who had spent their lives in degrading and plundering her; nay, some of whom had given their last vote decidedly, though hopelessly against this, our famous Revolution. Who of the veteran enemies of the country lost his place or his pension? Who was called forth to station or office from the ranks of opposition? Not one. The power remained in the hands of our enemies, again to be exerted for our ruin, with this difference, that formerly we had our distresses, our injuries, and our insults gratis at the hands of England; but now we pay very dearly to receive the same with aggravation, through the hands of Irishmen — yet this we boast of and call a Revolution!"

And so we close this chapter on the Volunteers — a chapter of great opportunities lost, of popular confidence betrayed. A few extracts from some verses written at the time in Dublin serve as an epitome of the times, even if they do seem a little bitter.

Who aroused the people?
The rival Harries rose
And pulled each other's nose
And said they aroused the people.

What did the Volunteers?
They mustered and paraded
Until their laurels faded
Thus did the Volunteers.

How died the Volunteers?
The death that's fit for slaves,
They slunk into their graves,
Thus died the Volunteers.

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