

ADDRESS TO LABOUR PARTY CONFERENCE, GALWAY 2012

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I want, first of all, to thank the Tánaiste for his kind invitation to address conference on this historic occasion.

The introduction of the Third Home Rule Bill in April, 1912 created the expectation of an Irish Parliament. The trade union leadership at the time was alive to the possibilities this offered for labour representation.

They would have been aware too that all over Europe workers were founding Social Democratic political parties.

The period from 1911 – beginning with the Wexford Foundry Strike and culminating in the Lockout of 1913 – was a period of intense industrial activity. It was an experience that brought home to the unions that workers have needs that cannot always be satisfied by industrial agitation alone. However, the immediate catalyst lending urgency to political action was that Ireland had been deprived of medical benefits under the British Insurance Act.

And so it was that at the Nineteenth Irish Trade Union Congress held in the Town Hall, Clonmel in 1912, James Connolly of the ITGWU moved the key motion to establish the Irish Labour Party. In the debate that followed he was strongly supported by William O'Brien and James Larkin. The motion was passed by 49 votes to 18 with 20 abstentions.

A possible reason for the high number of abstentions was that the political allegiances of trade union members were then quite diverse. There were Unionists from Belfast; members north and south who were loyal to the Irish Parliamentary Party and the cause of Home Rule; others more aggressively Nationalist and some who supported Arthur Griffith's Sinn Fein.

The enduring nature of this political pluralism was to prevent the labour movement from reaching its full potential in the decades that followed – as indeed it still does in some respects.

Competing forms of nationalism in the Republic resulted in every issue being conceptualised in terms of independence rather than of class interest.

Social Democracy never took hold in the same way as it did in the other small open economies of Europe. The experience of those small open economies is that cross class coalitions facilitate consensus building and economic progress but that real social progress is possible only where there is a combination of social democrats in Government working with a united and strong trade union centre.

Connolly and his associates could see clearly why it was important for workers to have a labour input to public policy decisions. In our time this reasoning remains compelling. For example:

It matters hugely that Labour moved immediately on entering Government to reverse the decision of the previous Government to cut the minimum wage;

- It matters hugely that Labour in Government blocked the deconstruction of the Joint Labour Committee System;
- It matters hugely that Social Protection is in the charge of a Labour Minister who believes in the concept of Social Justice and a threshold of decency below which nobody should be forced to exist;
- It matters hugely that a Labour Minister held out against breaking up the ESB;
- It matters hugely that the Labour leadership prevented a fire sale of State assets;
- It matters hugely that education is in the hands of a Labour Minister who believes the integrity of the system must be preserved at all costs to give our children a chance of a decent future;
- It matters hugely that Public Service Reform is the responsibility of a Labour Minister who actually believes in the concept of a public realm;
- It matters hugely that Labour in Government, led by the Tánaiste, will work to ensure that when we emerge from this crisis it will be to a New Ireland in which ethics and good corporate governance, and not just accommodating legal advice, will dictate business practice.

The intense industrial activism in the period between 1911 and 1913 was really about a basic human right – but one which was not secured for workers then or since. Now, for the first time in 100 years, we at least have the possibility of achieving a legal right to

collective bargaining. It matters hugely to workers that the Labour Party not only campaigned on this issue but insisted on its inclusion in the Programme for Government.

This is formidable progress for workers in a short space of time. It was achieved in difficult circumstances in which the priority had to be stabilisation of the economy.

But over all this fine work looms the crushing, soul destroying, morale sapping and destructive pall of unemployment. I would be failing in my duty not to speak of it in a fraternal way to this distinguished gathering.

The decision to conflate banking and sovereign debt – which Labour opposed – was a policy failure of epic proportions. The fact that the ECB was complicit in that decision and will not now take its boot off our necks to allow us to ameliorate that debt is reprehensible.

I do not expect much help from Europe. Europe is currently under the control of Neoliberal ideologues who are quite willing to press their austerity dogma to destruction – our destruction. We are too small to matter. We are no more than an economic laboratory in which they can try out ever more extreme versions of policies then have already failed. Any notion of European solidarity - for me anyway - dissolved on the streets of Athens.

As well as that the obsession of Europe with austerity is preventing any chance of either debt sustainability or growth. Unless we can find some way to generate growth to lift domestic demand we are in danger of failing.

I do not wish to be misunderstood about Europe. I believe that European integration is a noble aspiration that transcends the ebb and flow of ideological politics. Re-establishing social democracy as the guiding philosophy of integration in the manner of Jacques Delors is the medium term task of the ETUC and the PES to which we are respectively affiliated.

But for now we must deal with the world as we find it. In the coming weeks we will hear from Europe proposals for a growth strategy. It will be meaningless because it will be predicated entirely on supply side interventions. Only measures to boost demand have any chance of easing the employment situation. That is why practical initiatives for investment in infrastructure are so crucial.

There is a view that Keynesian demand management is not possible in current fiscal circumstances. It is an argument which is not entirely without merit but it is not completely true either.

To cut to the chase we have to use our ingenuity to get investment into the domestic economy. That is why we have championed the idea of using some part of the €73 billion in private pension funds to build infrastructure. After all that money is invested all over the world, why not Ireland? It will cut very little ice with workers here to tell them their pension fund earned a fraction of a percentage more by investing it in Brazil rather than in Ireland if they have no jobs to retire from

We are trying to work together with Labour Ministers on this idea and it is imperative that we succeed. It is imperative too that pension funds begin to see the big picture.

The Labour Party and Congress have separate mandates which neither can surrender to the other. Yet these mandates are linked by a shared history, a shared sense of struggle and a shared value system.

What are those shared values?

For a start we believe that all human beings are morally equal; that all life chances should be as equal as possible; and that social justice is a condition of liberty. We believe that capitalism does not exist independently of society, and that it is proper for the democratic will to be asserted over business and private power.

For an increasing number of people their relationship with the labour market is a precarious one. Despite the glitz of modernity a lot of people are as exposed as ever to some hard brutalities. They rely on all of us to try to make life a little bit fairer for them. In that respect our mission is as relevant today as it was in Clonmel all those years ago.

When this current nightmare passes – as inevitably it must someday – we can use these shared social democratic values to begin imagining the future in its more promising terms.

Irish Congress of Trade Unions

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