Address to Seanad Eireann by David Begg, General Secretary, Irish Congress of Trade Unions September 25, 2013

A Cathaoirleach and members of Seanad Eireann, I bring you warmest fraternal greetings and best wishes from the 800,000 men and women workers affiliated to the Irish Congress of Trade Unions.

I thank you for your kind invitation to address you, which for me is a singular honour and privilege.

In the course of my remarks I propose to first review the circumstances which led to the 1913 Lockout, the most serious industrial dispute ever in Ireland. I will then recall what happened during the Lockout, how it ended and what happened in the aftermath.

I will then consider the relevance of this seminal event for contemporary Ireland.

When the drivers and conductors of the Dublin Tramway Company abandoned their trams at 9.40am on 26 August, 1913 and pinned the Red Hand badge of the Irish Transport and General Workers' Union on their lapels, it was the culmination of five years of intense industrial and political activism.

James Larkin had come to Dublin in 1907 as the representative of the British National Union of Dock Labourers. James Connolly was at that time in the United States.

By the summer of 1908 Larkin's organising efforts were meeting strong resistance from employers. In July 120 dockers were locked out and the management of the dispute was taken out of Larkin's hands and settled on poor terms by the NUDL General Secretary, James Sexton. Undeterred Larkin continued organising and staged a strike of dockers in Cork in November, this time with more success, achieving a considerable rise in wages.

But relations with Sexton and the NUDL continued to deteriorate by virtue of the union's refusal to back these organising efforts financially. Eventually Larkin was suspended on 7 December, 1908 and, in consequence, he founded the Irish Transport and General Workers' Union – forerunner of SIPTU – in January 1909.

The ITGWU grew quickly and spread throughout Ireland. It became embroiled in many epic struggles with employers for the right to organise including a national railway strike in 1911 and involving the Wexford Foundries in 1910 and 1911. In due course Larkin was joined by James Connolly and William O'Brien.

Recognising that industrial activism alone could not adequately achieve their goals, the trio also decided to pursue parliamentary representation for workers. They saw an opportunity for a domestic Parliament with the passage of the Second Home Rule Bill and so it was that the motion to found the Irish Labour Party was proposed by Connolly and supported by Larkin and O'Brien at the Irish Trade Union Congress meeting in Clonmel, in 1912.

Notwithstanding the move in to the political arena, organising activity continued such that there were thirty major industrial disputes in Dublin alone between January and August 1913. This was of such concern to the authorities that the Lord Mayor, Lorcan Sherlock, proposed a new system of conciliation to the unions and to the Chamber of Commerce. In this endeavour he enjoyed the support of the Archbishop of Dublin, Dr William Walsh, who was widely respected by both employers and unions. For a while it looked as if this initiative might bring industrial peace to the city, but it was not to be.

We are told by Padraig Yeates, author of the definitive history of the Lockout, that the summer of 1913 was glorious, with eight weeks of almost unbroken sunny weather. Expectations for a successful Horse Show at the RDS were very high with unprecedented numbers of visitors causing hotels to have to turn away guests. There were rumours of possible industrial action in the Tramway Company, sufficient to move *The Irish Times* to warn prospective strikers that, whatever legitimate grievances they might have, they would arouse public hostility by industrial action.

The truth of course was that James Larkin and William Martin Murphy, owner of the Dublin Tramway Company, were locked in a power struggle.

To be credible as a transport union, the ITGWU needed to represent the workers in this major transport utility. Equally Murphy was determined to keep the ITGWU out of his companies at all costs. By requiring his staff to sign a pledge not to join or remain in membership of the union on pain of dismissal he made a strike unavoidable. His trump card was to unite the 400 employers of the Dublin Chamber of Commerce in a joint effort to break the ITGWU by locking out all who refused to renounce Larkin. It was an effective antidote to Larkin's weapon of the sympathetic strike.

And so began the worst dispute in Irish labour history. It went on for five months from August 1913 to January 1914 and caused enormous suffering, not just to the 25,000 men involved but to their wives and children too. As you will appreciate welfare systems were rudimentary or non-existent and it was only the support of the TUC in London, raising £93,000 to send food ships to Dublin, that kept starvation at bay. I was pleased to have Frances O'Grady, General Secretary of the TUC, lay a wreath at the Larkin Statue on O'Connell Street on the occasion of the National Day of Commemoration of the Lockout, on 31 August.

Indeed it is the case that the plight of working class people in Dublin in 1913 was appalling from a social perspective. Over 80,000 families lived in tenements, mostly in one or two rooms. The middle class had decamped to the suburbs leaving the working class in possession of the city's subsoil, and in the words of Padraig Yeates: "Its distinct smell complemented that of social decay and economic starvation". It was in these awful conditions that families tried to subsist on an average labouring wage of 18s a week. One did not have to look far to find the causes of labour militancy in the Dublin of 1913.

But the labour militancy was to exact a high price in human suffering. Within days of the commencement of the Lockout two men, James Nolan and John Byrne, died under the batons of the Dublin Metropolitan Police in civil unrest that had broken out in the city. On 30 August James Connolly was sentenced to three months in jail, having refused to recognise the Court. The authorities banned a public meeting planned for Sackville Street on Sunday, 31 August, but Larkin vowed to speak anyway.

Alarmed by Connolly and Larkin's tactics, William O'Brien and the other leaders of the trades council feared that the presence of large numbers of ITGWU members in Sackville Street would risk even worse disturbances. To avoid this

they organised an alternative event – a march to Croydon Park. In the event 10,000 members took part in the march and the event went off peacefully.

Larkin, however, insisted on fulfilling his promise and, accompanied by Helena Moloney, he duly arrived in disguise at the Imperial Hotel where he had pre-booked a room in the name of Donnelly. At twenty past one he appeared on the balcony of the hotel and briefly addressed the crowd. The police immediately moved to arrest him sparking protests to which they responded by ferociously baton charging the crowds.

Within five minutes between 400 and 600 people were seriously injured. An independent witness, barrister Thomas Patton, subsequently testified to the Commission of Inquiry into this incident:

> *"Police used their batons all the time and with great force, and, almost invariably, on the heads of people……I should say that the demeanour of the crowd, before these charges took place, seemed to me to be quite respectable. I did not see any disturbance, or riot, or any attempt at disturbance or riot."*

Needless to say, the savagery of this incident deeply embittered the strikers yet the employers were also determined on unconditional surrender. Separate attempts by bodies such as the TUC, Thomas Kettle's Industrial Peace Committee, and the Askwith Committee, and by enlightened employers like Edward Lee, the Lord Mayor and Archbishop Walsh, to negotiate a settlement, or even an industrial truce, all were rebuffed by the employers. Eventually, after five months, unconditional surrender was in effect what they got. Larkin's inability to convince British unions to support him by engaging in sympathetic strikes undermined his core strategy. At a special conference on 9 December, 1913 the Trades Union Congress voted decisively against the call for sympathetic strikes. Railway union leaders led the charge arguing that if they acceded to this demand it would set such a precedent that their members would never be at work. While this was an understandable viewpoint it was the beginning of the end for Larkin. By January, 1914, in the face of a united employer front, and with his members and their families destitute, he had to advise them to get what terms they could for a return to work.

The bitterness of this outcome can be sensed in James Connolly's words in *Forward*:

"And so, we Irish workers must go down into hell, bow our backs to the lash of the slave driver, let our hearts be seared by the iron of his hatred, and instead of the sacramental wafer of brotherhood and common sacrifice, eat the dust of defeat and betrayal."

For some, of course, no terms were available. They were blacklisted by employers, and like Fitz in *Strumpet City,* their only choice was to join up to fight in the war that began in 1914.

Within three years many of them were dead, as indeed was Connolly and others like the Bricklayers' leader, Richard O'Carroll, shot like Sheehy-Skeffington by Captain JC Bowen-Colthurst during Easter Week. Larkin had gone to America in November, 1914, exhausted and suffering from depression after the trauma of the Lockout. He was imprisoned there, convicted of 'criminal syndicalism' not to return until 23 April, 1923, having been deported by J Edgar Hoover.

Nevertheless, the ITGWU and the union movement proved remarkably resilient. At the end of 1913 the ITGWU had 22,935 members compared with 24,135 in January. By 1920 it had grown to 120,000. Indeed by 1918 it was strong enough to mount a general strike against conscription.

Much of this was due to the organisational skills of William O'Brien. When Larkin eventually returned to Ireland he found the ITGWU firmly under O'Brien's control. Inevitably there was a clash and Larkin lost. He went on to found the Workers' Union of Ireland and took most of the Dublin membership of the ITGWU with him. This precipitated a long lasting divide in the labour movement – both industrial and political – which was not healed until the Irish Congress of Trade Unions was formed in 1959, twelve years after Larkin's death. The ITGWU and WUI were fully reunited in 1990 with the formation of SIPTU which today has 250,000 members.

That O'Brien became so influential in the ITGWU is interesting. He was not originally a member because he was a tailor by trade and a member of a craft union, albeit that he was a key figure in the Lockout as Vice-President of the Trades Council. But he rose quickly in influence within the union, becoming Treasurer by 1919. He was a great admirer of Connolly and it may be that, as Connolly became more and more preoccupied with the Citizen Army and

militant nationalism, he was happy to leave the mundane task of union building to William O'Brien.

In the folk memory of Irish trade unionism William O'Brien has often been presented in a much more negative light than his contemporaries, Connolly and Larkin. However, his biographer, Fr. Tom Morrissey, SJ, reassesses him as a much more rounded character of great intellect, who died widely honoured but not widely liked.

The formation of the Citizen Army was a response to the type of police partiality displayed in Sackville Street on 31 August and its function was initially to protect strikers. But it moved on from that role to play a key part in the 1916 Rising. In some respects the role of the labour movement in those events has, in my opinion, been under recognised.

Indeed it was a tragic paradox of the time that those who fought in the class struggle in 1913 should end up on opposite sides a short time later. It is said that one reason why there was such initial hostility to the captured volunteers after the rising was that so many men, veterans of 1913, were fighting in the trenches at the time.

Reflecting on what was by any standards an out and out class struggle in 1913 it is perhaps puzzling that it did not have more of an influence on the polity of the emerging Irish State. Given the contribution of these same actors to the subsequent independence struggle it is remarkable that Kevin O'Higgins' could say in the early years of the new Irish Government; "We are the most conservative revolutionaries in history." It demonstrates the extent to which Irish nationalism trumped political ideology.

There is an interesting contrast here with an event that happened in Sweden a few years later. In 1931 there was a strike in the wood pulp industry in a town called Ådalen. During a demonstration by union members in support of the strike the police shot five people dead. This had such an impact on the Swedish psyche that the Social Democrats swept to power in 1932 and remained continuously in office until 1976. The Nordic Social Democratic Model that they created remains today a byword for economic efficiency, equality and social cohesion. On any indicators of social progress Nordic social market economies lead the world.

By contrast social democracy never took hold in Ireland. Perhaps the reason is that, since the foundation of the State, most important issues, even those related to our membership of the EU, have been conceptualised in terms of independence rather than of class interest. This reality, together with the overhang of Northern Ireland, has consolidated a political party structure which never aligned with the broad European typology of conservative, liberal and social democratic. The Labour Party that Connolly, Larkin and O'Brien founded in 1912 has never been able to break through an electoral straitjacket where never less than 60 per cent of voters prefer the centre right of the political spectrum.

On the other hand, while Ireland is firmly part of the liberal market economy grouping of Anglo-Saxon countries, it has at times exhibited some countertendencies. Foremost amongst them is an interventionist industrial policy and, between 1987 and 2009, a sophisticated model of social partnership. In this respect it was close to the Nordic approach. The difference is that their institutions are firmly embedded in what Peter Katzenstein's seminal work on small open economies, published in 1985, described as "an ideology of social partnership." This kind of conviction did not underpin the Irish model and, lacking firm philosophical roots, it did not survive the economic cataclysm of 2008. In time I think this will be seen as a public policy mistake. Katzenstein's core thesis is that institutions are crucial to success. They may need to be reformed as circumstances change but they should not be dispensed with lightly and without compelling reasons for so doing.

That said it must also be acknowledged that there has never been an overt public policy hostility to trade unions. No political party has ever made it a platform to attack trade union rights as have, for example, the Tories in Britain or the Republicans in the United States. Perhaps this too has something to do with organised labour's role in the foundation of the State.

Nevertheless, the reality is that the central objective that the women and men of 1913 fought for – the right of workers to choose their representatives and have them bargain collectively with employers on their behalf – has never been secured. Indeed it is actively opposed by employers' organisations, by the IDA, by the Supreme Court, and by some legislators who fear that granting a legal right to collective bargaining would inhibit foreign direct investment. Why that should be when this right is enshrined in ILO

Conventions 87 and 98, the EU Charter of Fundamental Rights, and is the norm in virtually every European country (even Britain), is a mystery to me.

So, we can erect statues to the 1913 leaders; we can name bridges after them; we can hold national days of commemoration to salute their sacrifice, but so long as their great grandchildren are deprived of the basic human right that they set out to achieve, then we don't really honour their memory.

To some extent the events of 1913 are viewed exclusively in an historical context, the product of material conditions which have no relevance today. This is to fail to understand the enduring nature of some of the influences involved.

Globalisation is one such influence. The capitalist world of 1913 was smaller than today but no less globalised, allowing for technological developments. It was a time of much industrial conflict across Europe as workers and capital owners struggled with issues of distributional justice. To many it seemed as if the world has reached the limits of economic progress. Yet it was all to collapse into the chaos and slaughter of World War 1 in 1914. For its part organised labour was unequal to the task of preventing millions of its members from killing each other. The lesson from this is that our wellbeing, our peace – indeed our world – is fragile.

The current phase of globalisation which can largely be identified with the deregulation of capital markets began in the 1980s. The dissolution of the Soviet Union and the decision of China to go capitalist by decree greatly accelerated the process. One effect was to add one and a half billion additional workers to the pre-existing industrial workforce of 950 million. Effectively this changed the balance of power between capital and labour and, with the increased mobility of capital and financialisation, meant that the collective bargaining power of labour was diminished. Investment decisions became crucial to economic sustainability and so multinational corporations achieved much more leverage over corporate tax policies and labour market regulation in countries seeking that investment. Ireland is a particular manifestation of this phenomenon, being described pejoratively by Peadar Kirby and others as 'a Competition State'.

Interestingly, this change was attended by considerable stability with relatively low inflation alongside robust economic growth. Policy makers thought that,

through policy alone, they had achieved a new kind of equilibrium. Alan Greenspan dubbed it, 'The Great Moderation'.

But it was really only a chimera. Reduced earning power consequent upon weaker unions with diminished bargaining strength was compensated for by easily available cheap credit. People invested in property which appreciated in value quickly creating a wealth effect which disguised the anaemic levels of earned income growth. We know how that ended.

When the financial crisis hit in 2008 rapidly increasing unemployment and precarious employment contracts had a certain chilling effect on the willingness of workers to oppose austerity policies in a sustained way across Europe. Youth unemployment levels of 50 per cent in some countries, 7 million of them not in education or training (NEETS) and an overall unemployed cohort of 26 million in Europe is as close to a social catastrophe as you can get.

Keynesian demand management approaches were rejected in the 1970s because of perceived inability to counter the stagflation caused by the two oil crises at the time. For a while, post Lehman's collapse, it looked as if neo-liberalism would also be rejected but the neo-liberals regrouped and by the G20 meeting in the summer of 2010 austerity was installed as the policy to counter recession. Paradoxically Barack Obama was the only Keynesian left standing but the recovery in the US is testament to his wisdom.

It is puzzling that there was not a more robust embrace of social democracy given the catastrophic failure of neo-liberalism. A possible explanation may be the absence of a persuasive alternative narrative to austerity. People did not believe that another way was possible and this is reflected in the electoral failure of social democratic parties, Australia and Norway, and Germany being the most recent manifestation of this failure to convince. Right across Europe unions defaulted to the time honoured option of protest. This was not, of itself, a sufficient response because nowhere has it made a real difference.

In the concluding part of his magnum opus *The General Theory of Employment, Interest and Money*, John Maynard Keynes reflected on the potency of ideas over a period of time. As he put it:

> "But, soon or late, it is ideas, not vested interests, which are dangerous for good or evil."

When the financial crisis began in earnest following the collapse of Lehman Brothers Bank in mid-September 2008 Congress campaigned for an essentially Keynesian response under the banner of '*A Better Fairer Way*'. It became clear, however, that orthodox economic opinion would have none of it. We were virtually alone.

We realised that our capacity to undermine the meta narrative of austerity was unequal to the scale of opposing opinion. For this reason we instituted a considerable reorientation of resources and it has paid off. By virtue of the quality of its analysis the Nevin Economic Research Institute, created to engage in the battle of ideas from a Social Democratic perspective, is gradually gaining some purchase on the attention of policymakers, parliamentarians and the public.

Not least in importance is its role in equipping our own members to engage in public discourse. Understanding the reality that the way EMU is structured, and absent the facility to devalue, the burden of adjustment in the event of an economic shock will fall on workers, is the key to changing the future. The fact that the institutions of EMU are designed on the lines of the German Bundesbank means that *ordoliberalism* is the policy being followed. However, the manner in which it is mediated through the Troika means that it appears here as hard-nosed neoliberalism unlike in Germany where it is moderated by its social market economy context.

Therefore, the key to a more equitable burden sharing ultimately requires a rebalancing of the institutions of EMU to allow for a Social Europe in which the independence and power of the ECB is complemented by institutions appropriate to the social market economy. In other words the ECB needs to move closer to the approach of the Federal Reserve Board in the United States. It seems unlikely that the significant political momentum to achieve such an objective can be mobilised without a renaissance of social democracy in Europe, an event which does not seem imminent. Nevertheless, recapturing the social policy ambitions of the Delors' era in Europe is the task of the European Trade Union Confederation (ETUC) in which Congress plays an active part.

Thus it is that the imperative of both industrial and political representation of workers reasserts itself as it did during that tumultuous period between 1908 and 1913.

It is important to come to the realisation that the social market economy must be allowed function in a way that allows for systems of collective bargaining to facilitate distributional justice and the opportunity of a decent job for all.

The alternative is likely to be an acceleration of support for populist right wing, anti-European, anti-immigrant parties.

When Larkin came to Dublin the Castle authorities didn't want to take him on because of the way he recruited even the police to his cause in Belfast. In the heightened nationalist fervour of the times this would have been a considerable worry to them. Many employers were reticent too. But William Martin Murphy put steel into them. He was an unusual phenomenon in the Ireland of 1913, a Catholic nationalist entrepreneur in a city dominated by Protestant unionist businessmen. Yet they accepted his leadership of the Dublin Chamber of Commerce. Murphy's cause was not a dispute about pay and conditions. It was to get rid of Larkin and his syndicalism. The sympathetic strike was regarded as a dangerous weapon in the hands of women and men whose circumstances were so bad that they had nothing to lose. Most of all he hated Larkin because he had an analysis of what caused those poor circumstances in the first place. Once again the importance of ideas can be grasped.

What was exceptional about Larkin of course was his charisma and his leadership. What was exceptional about those who followed him was their solidarity and willingness to suffer for his 'Divine Gospel of Discontent'.

In some respects the labour movement regained ground lost more quickly than might have been expected after 1913. By 1919 the International Labour Office had been instituted awarding, as of right, many of the protections William Martin Murphy sought to deny to the ITGWU. By 1919 also the Democratic Programme, reflecting the values of labour, had been promulgated. The recovery of trade union strength was helped by the demand for labour and economic conditions associated with the war.

Sadly, however, the return of Larkin in 1923 led to a virtual civil war over control of the Transport Union. As a result trade unions were marginalised from economic and social policy making for most of the next thirty-five years. It is hard to deny that this was not a squandering of all the effort and hardship associated with 1913. It is the reason why Congress today remains so

protective of the All Island unified structure instituted in 1959. It was a settlement which created the largest civil society organisation in Ireland, unique in European terms, in having one trade union centre for two jurisdictions. The acceptance of the *sui generis* nature of Congress has allowed it to stake out common ground for workers of all religious and political persuasions to oppose sectarianism and violence over the last forty difficult years in Northern Ireland.

But the core mission of trade unionism to organise workers to force a more just distribution of the wealth created by markets, remains as it always has been. This mission is predicated on a belief that all human beings are morally equal; we all have an equal entitlement to self-determination; all life chances should be as equal as possible and social justice is a condition of liberty. Moreover, we believe that capitalism does not exist independently of society, and it is proper for the democratic will to be asserted over business and private power. Markets do not regulate themselves and best outcomes do not happen spontaneously.

The biggest challenge facing all of us today is to find ways to mitigate the social and economic risks to which people are exposed during their lives. The very rich may have the means to insulate themselves from some, but not all of these risks. The rest of us need to band together for protection. That is the purpose of the Welfare State.

In recent years high levels of public debt and an ageing demographic – bringing with it high pension and health costs – has undermined the sustainability of the Welfare State. In the future it will be only possible to achieve sustainability with high levels of social investment. This in turn will require high labour force participation rates and jobs capable of sustaining the tax revenue base to fund social investment. In other words, Decent Work.

As things stand, the trend is in the opposite direction with many of our citizens having an increasingly precarious relationship with the labour market through zero hour contracts and the like. Indeed it is the case that the welfare system is being increasingly used to subsidise employers paying low pay. In the same way the retreat from defined benefit pension systems is transferring risk, to the individual initially, but ultimately to the State, because no country can stand over a situation where its elderly population lives in abject poverty.

Decent Work is now, and will increasing become, an imperative for all industrialised countries. The only way to achieve decent work is through collective bargaining. The need for workers to organise and bargain collectively with employers for distributional justice is as relevant today as it was in the past. The values which inspired the women and men of 1913 are, in fact, timeless.

In Padraig Yeates' marvellously detailed account of the Lockout there is a poignant little story about the fate of some to those involved, in the Lockout. I want to conclude with it because, for me, it captures the tragedy of the whole thing and reminds me of the weight of history on the shoulders of those whose duty it is to lead the present day trade union movement.

The story tells how in 1914; "A group of ITGWU men, unable to win reinstatement on the docks, had joined the Dublin fusiliers en bloc. They were part of the regular army that held the line in Flanders while Kitchener's mass volunteer army was training in Britain. On 24th April, 1915 they took part in an attack on Saint-Julien, near Ypres. They advanced in 'faultless order' to within 100 yards of the village, then their lines was swept away by machine gun fire. The handful who crawled back gave 'three cheers for Jim Larkin', just as if they were once more outside Liberty Hall"!

ENDS