



**CAPITALISM ISN'T
WORKING**

Social Justice Review

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The Double Transition

Dr. Conor McCabe

On 10 September 1994 the *Times* reported on the economic implications of the ceasefire statement that was made in August of that year by the Provisional Irish Republican Army (PIRA). 'Peace brings dividends' it said, 'or so we are told by the fund managers who are enthusiastically selling investments in Eastern Europe and South Africa.'¹ The end of the Cold War and the dismantlement of the Apartheid system had brought a downscaling of public expenditure on security and in the social infrastructure of the respective countries. The collapse of the Communist Bloc also opened up whole new areas for privatisation. And in the case of Northern Ireland, the *Times* said that 'investors hoping to lock into a peace dividend will find initial problems in finding a home for their money' as the 'public sector swamps the province.' The newspaper found little joy in terms of industry for investors, despite a highly-educated work force and the lowest labour costs in the UK. The best hopes for job creation, it seemed, lay in tourism. 'Northern Ireland's industrial establishment will sniff at the prospect of the province becoming a theme park for sentimental Americans and curious Europeans' said the *Times*, 'but little else may be on offer in the short term.'

Almost twenty years later, with the Titanic quarter a reality and black taxi tours filled to capacity, it appears that the somewhat sardonic predictions of the *Times* for the future prosperity of Northern Ireland have come to fruition. Industrial employment has continued to decline, while job creation has been for the most part in low-skilled, low-paid sectors such as retail and call-centre services. The constant demands to privatise large swathes of the public sector in Northern Ireland were given a boost with the 2008 banking crisis and the 2010 election which saw a Conservative-led coalition government returned by Westminster. The DUP/Sinn Féin administration which came to power in Northern Ireland in 2007 has done little to stem the tide of privatisation and subsistence-wage occupation creation. At all times the 'unique' history of Northern Ireland is put forward as the reason behind its current economic malaise. Yet, as the *Times* article from 1994 shows, modern investors do not see exceptions in the world, only opportunities. Eastern Europe, South Africa and Northern Ireland are all unique in terms of the dynamics of their history and geography. What they have in common is that they found themselves as societies in transition at a time when economic thought had solidified around neoliberal principles. This 'double transition' – towards peace *and* neo-liberalism – has been mediated through the world of politics, finance, law and accountancy. It is the financialisation of the economy that demands low pay and privatised services, not geography, history or conflict.

The rent-seeking profit model of financialisation has been put forward as a solution – in fact it is often hailed as the *only* solution – to the deep social and cultural conflicts at the heart of Northern Irish society. In fact, financialization is antagonistic to the type of social and communal relationships necessary to develop and sustain Northern Ireland today. Nowhere is this seen more clearly than in the policy of public-private initiatives and partnerships, or PPPs.

In January 2001 the Northern Ireland Executive published its programme for government. It acknowledged the need for investment in infrastructure, a result of the legacy of decades of underfunding. 'Addressing the deficiencies in our infrastructure will require us to continue to press for

¹ 'Investing in Northern Ireland's Peace Dividend.' *Times*. 10 September 1994.

a fair allocation of UK public expenditure to Northern Ireland' stated the programme, 'and to explore new ways of financing and providing public services.'² In March 2001 the then minister for Finance and Personnel said that it was 'important for the Executive and all departments to explore new ways of financing and providing public services, such as PFI/PPP, provided they are affordable and deliver value for money and provide effective solutions to meet the needs of public services in Northern Ireland.'³ A high level working group was set up in September 2001 to review PPPs and their delivery of public services, and to advise on 'best policy.' It met four times and presented its findings in May 2002.

The Working Group began its discussions by highlighting the distinction between *financing* and *funding*. The *funding* of public services comes from a combination of local and national taxation and user charges, whereas *financing* can come from either the public or private sector. It is rare for the construction and development costs of public infrastructure to come from savings. More generally, credit is procured, either through public or private lines. It is credit that *finances* the projects and public taxation and user charges that *funds* the credit repayments. 'Thus, it must be emphasised' said the report, 'that the term funding relates to the method by which public service investment is paid for, whereas the term *financing* relates to how the capital needed for investment is raised.'⁴ It is the procurement of credit finance at private sector rates that defines PFIs. The rationale is that the cost of the more expensive private sector credit - as opposed to credit raised via government bonds for example - will be balanced out by savings due to private sector management and 'efficiency'.

The success, or otherwise, of PPPs were quickly linked to the peace process. The projects were soon touted as evidence of investor confidence and as proof positive of a burgeoning peace dividend. In December 2002 the Parliamentary Under Secretary of State with responsibility for Finance, Ian Pearson, gave a speech at the Odyssey Arena where he addressed the state of the Northern Ireland economy. He said that while the peace process 'gave business, both indigenous and inward, the confidence to invest and grow,' the province was still living with the legacy of 'thirty years of violence.' 'Our transport and water infrastructure are in many ways outdated' he said. 'We have too many outmoded schools and hospitals [and] only if we invest now will we have the basis of a prosperous economy.'⁵ He told the audience that investment in infrastructure was 'integral to tackling social exclusion and underpinning the equality agenda' and that 'these agendas cannot await prosperity. They must be pursued with as much vigour as the drive to invest.' Now that The Troubles had ended, there remained but one bulwark to prosperity, and that was the region's public sector.

Mr. Pearson MP made it clear that in his view, and in that of his government, the administration of public services by public hands was an anachronism, a relic of the past.

It is open to debate as to whether the scale of the public sector in Northern Ireland is a reflection or a cause of the relatively small private sector. The point that strikes me is that too many resources are tied up in it, frankly often in outmoded structures and

2 *Review of Opportunities for Public Private Partnerships in Northern Ireland*. Belfast: Office of the First Minister and Deputy First Minister and the Department of Finance and Personnel (May 2002): 1

3 *Review*: 1

4 *Review*: 1.

5 'Building on Progress: Policy Priorities and Budget for 2003-06.' Speech given by Ian Pearson MP, 11 December 2002. Copy available, Queens University Belfast Library. QJZN 625 BUIL.

systems. That resource has to be used effectively. This means the public sector needs to change and it also means its size will have to change over time to support the creation of a stronger private sector.

The policies put in place at the national level should help provide the opportunity for accelerated private sector growth both from increased new firm foundation and from growth of existing firms. The challenge for us is to ensure that the policies that we have reinforce this drive to enterprise and economic prosperity. In turn the flair and skills of the private sector should be turned, where appropriate, to the delivery of high quality public infrastructure and services. Who delivers them is not the key question – the public wants an assurance on the quality and the fairness of their provision.

And the way to achieve this ‘drive to enterprise and economic prosperity’? To deliver ‘high quality public infrastructure and services’? The answer was simple. ‘We are developing Public Private Partnerships to help us take forward some of this strategic investment programme... bringing new skills and ideas into this important work.’ Mr. Pearson also announced a fresh round of asset sales, to help boost the ‘supply side’ of the region’s economy. He finished his speech by telling his audience that ‘the foundations are now in place – access to borrowing, financed by fair and reasonable new levels of revenue, and a clear opportunity to use PPPs where that is in the interests of public services.’

The experience of PFIs in Northern Ireland’s education system has been documented and analysed by David Agnew in his 2005 doctoral thesis for the School of Education, Queen’s University Belfast. In June 1996 four schools – Basewood High, Washington College, Kensington High and St Joan’s High – along with both the North West Institute and Belfast Institute of Further and Higher Education, were selected to take part in a project to test the feasibility of PFI in Northern Ireland. The transfer of responsibilities for design, building, financing and operation of aspects of the new facilities saw the relocation of public sector employees to private sector operators, albeit with public sector terms and conditions. In the case of Basewood High School, a faster rate of construction was offset by the terms of the financing, which will see repayments spread over 25 years. Washington College faced a five-year wait from initial planning to final construction. Overall, Agnew found problems with openness and accountability, with the details of terms and conditions of contracts withheld from public view for reasons of ‘commercial confidentiality.’ The process took time away from the day-to-day management of the schools, with middle-management ‘required to draw up numerous kit lists and attend meetings connected with the process.’⁶ Private finance, it appears, brings with it micro-management, which is at odds with the dynamics of education and learning.

The procurement of finance through PFIs is more expensive than direct government borrowing. As a result, in order to produce savings, PPPs cut costs in design, construction and maintenance. In other words, in order to pay for access to private lines of credit, PPPs have to deliver an inferior product. This is compounded by the profit-seeking element of PPPs. The projects do not only have to cover their costs, they have to make a profit as well. In the context of the provision of public services, paid for from public funds, profit is an additional cost.

By January 2013 there were thirty-seven PPPs in operation in Northern Ireland.⁷ They had a combined value of just over £1 billion. The majority of the projects were in education and health. It is thought that the cost to the Northern Ireland exchequer of repayments on PPP-secured finance will be in the region of £10 billion.⁸

The privatisation of Northern Ireland via outsourcing and PPPs is nothing more than a land-grab, with publicly-funded incomes streams the prize. And with all land-grabs it is those with the title claims, in this case the public contracts, who will benefit. The imposition of private profit claims on public needs such as health, housing and education is one transition the citizens of Northern Ireland could do without.

7 Partnership UK: Northern Ireland. <http://www.partnershipsuk.org.uk/PUK-Projects-Database-Map.aspx?Region=Northern%20Ireland>. Accessed 20 January 2013.

8 Hellowell, Mark, David Prince & Allyson M. Pollock. *The Use of Private Finance Initiative (PFI) Public Private Partnership (PPPs) in Northern Ireland*. Belfast: NIPSA (2008)

What Kind of Crisis?

Five Underlying Problems of Anglo Liberal Capitalism and Their Implications for Northern Ireland

Andrew Baker

The argument I'm going to make today is that the crisis reveals five underlying problems with our system of economic organization - Anglo Liberal Capitalism. And I want to try and convince you that we need to think in terms of these five fundamental problems, if we are to come up with a coherent strategy for changing the Northern Ireland economy. My argument is that when we start thinking in terms of these five problems and what to do about them, it helps us to formulate a workable agenda for moving forward.

So what kind of crisis are we experiencing and living through? Crisis is originally a medical term and it refers to the critical turning point in a disease, where the patient either recovers, or withers and dies. Crises are therefore about change. So it could be said we have a case of pathology without crisis, because we haven't seen much change. But after the Wall Street Crash of 1929 and the great depression it took at least 15 years to lay the legal, institutional and political foundations for the welfare state and managed capitalism through agreements in 1944 and 1945. So crisis induced change is a long term process. To continue the medical analogy however, there is another meaning to crisis – which is the disease itself and its causes, - some deep underlying systemic, or structural problems that mean the system (usually a complex system of organisation) is not functioning in the way it is supposed to. Moreover, until the structural or systemic nature of the problems are accurately diagnosed, symptoms will keep appearing and reappearing and we will not be able to successfully treat the ailing patient. So diagnosis is crucial and here is mine.

Essentially, I view the crisis as a crisis of a wider economic system of organisation, which is both a growth model and a social settlement that has been characteristic of the Anglo sphere – the Anglo liberal growth model – characteristic of the UK, US and Ireland. This growth model depended on the provision of plentiful private credit, facilitating home ownership as the basis for consumer demand. Plentiful credit provision, including for low income groups, has depended on financial innovation and engineering, investment banking activities that have enabled more credit to be made available to the vast majority of the population than ever before. Meanwhile wages have been restrained and held down for thirty years to boost share values. And shareholder value is the watchword of this particular model. Here are the five overlapping problems that are at the root of this crisis and reveal the problems with our current economic model.

1. A crisis of private debt

The real problem is private debt rather than public debt and that is particularly the case in the UK, despite some fairly lame political efforts to repackage it as a crisis of public debt). Philip

Hammond, Defence Secretary, has said we need to stop blaming banks – they had to lend to someone and therefore we're all to blame and we're all in it together. These claims are completely foundationless.

- The private sector debt is well over 400% of GDP.
- The household and consumer debt is much smaller 90% of GDP, the majority of that being mortgage debt.
- The financial sector debt in the UK is close to 250% of GDP, but this is a conservative figure. The UK economy is about 2.4 trillion. The declared bank liabilities are over £8 trillion, which dwarfs the size of the UK economy.

The aggregate balance sheets of UK's three largest banks are nearly four times total of the UK GDP. A paper by Ben Broadbent of the Bank of England, reveals what the real problem is. He demonstrates that 75% of bank losses are non UK lending books – that is not lending to households, consumers and businesses, but investing in global securities and derivatives markets and overseas lending. So even if household debt has expanded over the last 30 years as people have taken on bigger mortgages and spent more on their credit cards, this is the tip of the iceberg of the private sector debt mountain in the UK.

The real problem is excessive Leverage. The practice of borrowing to invest – which produces an asset to equity ratio. In the 2000s borrowing for banks in wholesale credit markets was very cheap. So they borrowed cheap, by issuing something called ABCP which came with guarantees concerning repayment schedules. They took that capital they raised by issuing this and set up off balance sheet – SIVs SPVs– got tax exemptions - by being highly leveraged. They then invested in high yield instruments such as MBS, CDS, CDOs⁹. This was called shadow banking.

In effect, they played a game called interest rate arbitrage, borrowing cheap and investing in high return instruments. These practices increased profitability for the financial sector and made credit more readily available to ordinary people, but there was a flip side and the relationship flowed the other way.

Defaults in a small corner of the US mortgage market triggered problems in MBS, CDOs and CDS contracts and had a ripple effect. Asset values dropped and over leveraged banks left holding worthless pieces of paper. From being the assets that everyone wants to hold, investors were trying to cash out.

Depending on how you calculate it (and losses are still emerging), the 2008 crash blew a 2 to 10 trillion hole in the global financial system. Banks' balance sheets were in tatters. Of course, banks still had all the liabilities from all the borrowing on their books and had to meet their repayment obligations, even if many of the assets they had bought with this leverage had been moved off balance sheet and were now worth very little.

Andrew Haldane of the Bank of England put the current state subsidy to the indebted global banking industry at several hundreds of billions of pounds each year. Support to the financial sector in US and UK has amounted to two thirds of GDP. And the cumulative loss of output in the

UK that the financial crash generated because of bad bank debt has been put at 1 year by Haldane. Only world wars come with a heftier price tag. It is also important to bear in mind a recent BIS study which suggests that once bank assets begin to exceed annual GDP they begin to act as a drag on growth. We have an oversized Frankenstein monster of a financial system that is out of control and has generated huge amounts of private debt. And today we are stuck with broken zombie banks, like RBS, that have defunct business model and there may be no coming back for them. The problem is that this entire system is inherently unstable and prone to generating large financial explosions, because the amount of private debt it has generated, particularly bad bank debt, is excessive.

2. A Misallocation of Capital?

In an age of QE and record returns for some hedge funds, there is of course plenty of surplus capital sloshing around the global financial system. But where is it going to and how is it being used? In the UK and in Ireland, we have been good at generating credit, but it seems to have gone to the wrong places. Too much of it has gone into property or fuelled individual consumption. The main consequence of this is that it generated a property boom, which meant for many first time buyers and for many ordinary families property became too expensive. And property itself became a source of speculation as property development and buy to let became fashionable professions with big rewards.

The problem with our credit system is that it is procyclical – it interacts with the wider economy like petrol (or currently) water does with a bonfire. The procyclical paradox of credit is that it is most available when it is least needed, and least available when it is most needed. The former CEO of Citibank Chuck Prince once said when the music is playing you've got to get up and dance. What he meant by that, is that when a certain asset class is rising you have to move into that market and get a piece of the action, otherwise your shareholders are going to be unhappy with your profits relative to comparable banks. But this kind of activity pushes asset values to extremes, and when the market turns, everyone rushes for the exit door at the same time, meaning asset values are prone to volatility. In other words, all this dancing produces Chuck Prince's disco inferno which in turn leads to murder on the dance floor! And when asset values collapse it affects credit conditions in the real economy and ordinary people get hurt.

Not enough credit is used to sustain and finance sustainable businesses and sustainable jobs. If it generates high property prices and high levels of personal indebtedness there is an argument for saying it is socially useless. The challenge is to redesign the credit system, so that it acts as a community utility generating sustainable and innovative profitable enterprise and jobs, and funds socially useful community projects. But this is only the everyday world of credit. There is another world of credit and capital allocation that I have alluded to called shadow banking.

Shadow banking is that infrastructure of investment opportunities for banks taking on leverage and setting up off balance sheet investment vehicles, managing assets to try to maximise yield. The worldwide size of the shadow banking industry is estimated by the FSB to be about \$60 trillion (assets under management). Bearing in mind that the total US GDP is about \$14trillion, shadow banking is over 4 times the size of the largest economy. Much of it is virtual and does not show up in any official figures, operating through virtual hubs like the City of London and offshore financial centres. The total world GDP is estimated by the World Bank as \$63 trillion. Therefore, around 100% of those resources exist in virtual form in the shadow banking industry. Add to this that the global

derivatives contracts outstanding (nominal) are believed to be worth around \$600 trillion. A 50 per cent error in collective risk management capacity would lead to losses of \$300 billion. A mind-boggling sums. How big is a trillion? Well if you were locked in an enormous vault full of dollar bills and you could keep everyone you initialled. If you worked 24/7, working every second without stopping, initialling dollar bills, after 12 days you would be a millionaire. After 31.7 years you would be a billionaire, but only after 31,708 years would you have a trillion and that number is only 1/600th of the size of the global derivatives market.

The problem with shadow banking is that it is largely dead money. It depends on market movements and interest payments and profits tend to get invested in further instruments. For the real economy it has fuelled unsustainable credit booms, but it has also drained investment and resources away from other sectors and hardest hit are R&D intensive businesses. Therefore, the question is: is this the best usage for the world's resources? It has most certainly made small numbers of people very rich, but has it done much for the vast majority of the world's population, apart from giving them access to unsustainable levels of credit? Writing in the 1930s, John Maynard Keynes decried what he referred to as 'rentierism' – the practice of high net wealth individuals not investing their money in socially useful, productive investments that contributed to societal advancement and community life, but earned interest (hoarding). Keynes called for the euthanasia of the rentier by denying them investment opportunities and limiting interest payments on accumulated capital. Shadow banking and its infrastructure essentially mean we have lived through an era of rentierism supersized and on steroids. I firmly believe we have to do something about shadow banking and something quite radical such as closing large areas of it down altogether. The same should apply to the global derivatives industry.

Finally on capital misallocation, I would like to add that most estimates also suggest that UK corporations sit on around £750bn of retained earnings. That's a third of UK GDP. How to get this money into play so that it benefits communities and society as a whole, is one of the big challenges.

3. A Crisis of external indebtedness

The market or neoliberal ideology has meant that successive UK governments have really viewed their role as getting out of the way, and allowing competitive forces to run their course. The consequence is that we consume far more than we produce.

Yes we have a financial services industry that has been very good at attracting surplus capital from around the world, but our external indebtedness is touching 400% of UK GDP. Given these kinds of figures, the total public debt of 70% of GDP and the focus on government deficits look like a red herring – the wrong deficit. Most of this public debt is owned by British citizens – unlike Irish public debt.

Even manufacturing success story's such as Jaguar-Range Rover in Halewood, Liverpool, that went into round the clock production in August, are owned by Indian investors. We have a competitive and aggressive market for corporate control and while other countries have protected some of their own strategically important companies, our investors tend to gravitate towards shadow banking, derivatives trading and that kind of activity. Because leading companies are foreign owned, they often lack commitment to and are not rooted in the communities in which

they are located. They are more concerned with share price, which means they are not adverse to relocating activities through off shoring, or avoiding tax. So the crisis of external indebtedness reflects a crisis of ownership and stewardship of companies and corporations. Moreover, the average length of shareholding in the UK is about seven months.

It would probably be prudent to try to make more things and export more, and to actually own more productive activities, rather than simply holding financial assets – rebalancing the economy. Our private debt is foreign owned. The UK needs to think about how to reduce its external current account and trade deficits, because as it stands it remains very vulnerable to a change in the sentiment of international investors.

4. A Crisis of Inequality?

The three problems mentioned above are connected to a fourth phenomenon: a rise in inequality. The turn to private credit as a source of demand in the economy has been accompanied by and was possibly caused by wage stagnation at the bottom end of the income spectrum. In the US the bottom 40% have not had a real wage increase since 1979.

The bottom 40% in the US only own 0.3% of total US wealth. The bottom 80% own 16% of total wealth. Which means 84% of total US wealth is compressed into the top 20% of the US population. This is not a good income distribution, but it is also where the UK is headed. In the UK the bottom 50% own 7% of total UK wealth. The bottom 75% own 27% of UK wealth, which means the top 25% own 73% of UK wealth. The top 10% own 53% total UK wealth. The top 2% own 28% of UK wealth and the top 1% owns 21% of UK wealth.

In the US Dan Ariely of Duke University and Mike Norton at Harvard did a survey and asked if you did not know where you would end up in society (random entry – Rawls veil of ignorance) what kind of income distribution would you want. Respondents were shown the US distribution and an improved Swedish distribution. 92% picked an enhanced Swedish distribution, and when you looked at Republican voting respondents only, the figure was still 90.5%. Even in the United States people want something very different from what we have. And once you strip away the labels that becomes clear. Which is why the Centre for Progressive Economics has a vital role in educating the citizenry so people can make more informed political choices in line with what they really want.

Over the past 30 years, a growing share of the global economic pie has been taken by the world's wealthiest people. In the UK and the US, the share of national income going to the top 1% has doubled. Today, the world's 1,200 billionaires hold economic firepower that is equivalent to a third of the size of the American economy.

It is this concentration of income – at levels not seen since the 1920s – that can be seen as a real cause of the crisis. In the US a typical worker would be more than £3,000 better off if the distribution of output between wages and profits had been held at its 1979 level. In the UK, they would earn almost £2,000 more. Demand suffers from this and that explains the turn to private credit.

History also shows a link between inequality and economic instability. The Great depression of the 1930s and the financial crash of 2008 were both preceded by vast increases in inequality. Wages lagged behind productivity growth in the 1920s and from the 1980s onwards. This growing

gap squeezes ordinary people's purchasing power and to fill the gap, we have private debt. This turn to debt delays recession but it doesn't prevent it. A concentration of wealth in the hands of small corporate elites not only stifles demand, it fuels asset bubbles. In the 1920s in the US, enrichment at the top fuelled property and stock market speculation. In the 2000s, as I have already discussed, a tsunami of hot money rather than investment in productive activities created bubbles in property, securities and commodity markets. All the time the share going to UK manufacturing shrunk. The evidence suggests that a widening income gap and a more productive economy do not go hand in hand. An economic model that allows the richest to consume an ever increasing share of the cake will eventually destruct itself. A more sustainable and efficient economy also has to be a less unequal one.

Stewart Lansley, in his book entitled *The Cost of Inequality*, distinguishes four points in the rising of inequality:

- Once inequality goes above a certain level, economies develop a tendency to deflate, evident in falling demand, falling income levels, rising unemployment and falling living standards. Those at the top can only consume so much, instead they accumulate surpluses and hoard it and invest it in rentier activities.
- Concentrating wealth in the hands of a small percentage produces bubble economies, as their surpluses seek a home and are invested in various asset markets. Bank assets ballooned four times faster than economic growth from the 1980s onwards in the UK, as we have seen.
- Third, the biggest returns in the shortest time span can be earned in unproductive activities such as shadow banking. Productive activities get starved of investment. Take overs, private equity and financial engineering proliferate, while the real economy stagnates and fewer jobs paying decent incomes are generated.
- Fourth, concentrations of wealth also produce concentrations of power. Finance and city lobbyists got what they wanted during the 2000s and regulators and policy makers appear to have been captured – regulatory capture.

5. A Crisis of the State

Thirty years of denigrating the state and the public sector has resulted in an expertise and capability deficit. This is one of the reasons why regulators had rings run around them by financial engineers working for large banks and why the regulatory regime was hugely inadequate.

This was also the product of a prevailing intellectual and political climate that said the financial sector were fabulous because of their profits and that financial markets were more or less efficient, while the state was inefficient and should do everything it could to facilitate these fabulously innovative markets. If you wanted to run a state of the art experiment to disprove all of the above then we have just done it and it only costs over \$4 trillion and counting to do it.

If you want further evidence that this is a crisis of the state, look at policy makers beleaguered efforts to plug the holes continuously exposed by the global tax avoidance industry which is at the core of the business model of the big four accountancy firms. You can also look at the Treasury messing up the contracts for the west coast rail line in GB. The private sector has the best lawyers and accountants at its disposal and this is due to a problematic resource concentration and brain drain.

So three decades of neoliberalism has denigrated the state. Not only do we need to use this opportunity to throw out neoliberal ideology – it has manifestly failed – but we also need to rehabilitate the state.

If we're going to fix the economy we have to think in terms of these five fundamental problems and realise that they are interconnected. They are not just about the UK and the global economy – they are relevant to the diagnosis for Northern Ireland.

- **Fixing a broken banking system:**

Household debt remains a problem here. We need to see more data on this and evaluations of the drag it is imposing on the economy. Pay day loans are burgeoning and illegal money lenders are on the rise. The cause of this is a broken banking system. We need to fix our broken banking system. Ulster Bank sees debacle after debacle and as part of RBS it is a zombie bank that is to all intents and purposes defunct. Northern Bank is mired in bad property debt and appears to have adopted a slash and burn policy (my good friend Gerry Mallon is currently the living embodiment of Schumpeter's creative destructive noun missing). First trust as part of Allied Irish say no more. Bank of Ireland is in a terrible state. The system is broken and we need to take steps to fix it. More competition is badly needed. Until 2010 there had not been a new start up entrant into British banking for 100 years. This has now changed. Handelsbanken opens a new branch in the UK every 2 weeks. They offer basic banking services, mortgages and small business loans in tightly defined local catchment areas. Decisions are taken locally, not centrally by a computer. There are no sales targets and when the whole firm performs there are no bonuses, rather a contribution is made to a central pool, which is invested on employees' behalf. This is a bank ideal for Northern Ireland. We need them here and we need to think about adopting this business model in other areas of the economy. People and politicians need to create a demand for this.

- **Curbing property bubbles and channelling investment to R&D, infrastructure and locally owned firms:**

Growth in Northern Ireland was excessively dependent on a giant property bubble. The Northern Irish economy growing at 3.2%, twice as fast as rest of UK in 2005. By April 2007 the property price in Northern Ireland was only behind London (South East and South West). Northern Ireland had all of top 10 property hot spots. There are all kinds of complex geographical and social reasons why this happened, including the proximity to the Republic, but Northern Ireland is susceptible to property bubbles and the last one is responsible for the broken down banking system we have here. In the UK, the Financial Policy Committee is seeking to curb the credit cycle, here we need an offshoot keeping an eye on the amounts of credit flowing into the property market and looking at rates of price increase, standing ready to turn off the tap as necessary. What we need here are science parks, including local start-ups, overseen by proper credit banks, the universities, local politicians and policy officials and unions to feed in on training and skill needs. We need to match research and technology to finance and business but also the government to underwrite some of the risk of lending to R&D intensive activities. So it is financed by private finance but some of the risk is shouldered by the public sector, to encourage credit to be made available to R&D intensive long term investments. Possible specialisms apart from IT are renewables and green technologies. John Cunningham MD of Kelvatek specialising in high end technology, employs 150 in NI has complained that banks and venture capital won't invest, so

they have to do it through retained earnings, which simultaneously depresses wages and for him is a justification for cutting corporation tax. So there is a serious problem in growing R&D business.

- **Review company law and experiment with new models of ownership:**

The liquidation of FG Wilson in Northern Ireland is linked to the problem number three, the crisis of external indebtedness. The loss of 760 jobs rose to over 1000 when Caterpillar decided to move its production of generators to China. Large corporations pandering to shareholders, acting in a footloose fashion, divorced from the communities in which they operate. The accounts revealed that sales last year increased by 100 million, but profits turned from 7.8 to 5 million loss, because the administration expenses mysteriously increased by 10 million. Now this looks like an accounting device used by head office to saddle FG Wilson with losses and justify relocation. In the UK, we've made it too easy for multi-national companies to do precisely this. Overhauling company law would make this more difficult and ensure that companies have responsibilities to their communities as well as to their shareholders. We should create a stewardship code, give stakeholders a voice in running the company, explore the John Lewis and Handelsbanken models, grow indigenous co-operatives, employee owned firms and family owned companies. I am not a public or constitutional lawyer but these avenues of alternative mixed forms of ownership need to be explored and further experimented, otherwise the spiralling external indebtedness will continue to get worse.

- **Investigate a Living Wage, Take action to tackle labour market exclusion and DO NOT CUT CORPORATION TAX (yet!)**

Doing nothing on the question of rising inequality and allowing it to fester is not an option. A resolution Foundation report in September projected that living standards look set to fall for low and middle income households even if there is steady growth up to 2020. Numerous other reports identify similar trends. Low income households will see a fall in income of up to 15% up to 2020 and middle income household of 3% up to 2020 in real terms. The reasons for this lie in shifts in global production and the associated division of labour. Traditional jobs in middle management/skilled admin roles are dying up and millions of families are set to struggle. This requires intervention to produce a minimum living wage. For example, improving access to work for women through improved childcare provision would make a positive difference to net household incomes. A proper vocational training system is a necessity. Such interventions would increase a middle income households income in real terms by 8% and stem the tide of rising inequality. What would a living wage look like in Northern Ireland and what would it cost needs to be investigated. In certain parts of Belfast, 80-85% of the population leave school with 2 GCSEs or less. Given the wider trends these communities are going to be left behind, unless targeted action is taken to provide proper vocation training and qualifications. That kind of social polarisation is something this society can ill afford. Cutting corporation tax does not address any of the problems identified here. Taking 700 million out of the block grant at precisely the time when you need investment to close the educational gap and to overhaul energy, water and transport infrastructures, offers out the prospect of making the spiralling inequality problem worse and not better and the accumulated increased earning may spawn yet more rentierism. When I go back to England, I am always struck by the fact that every single social and public space is designed by large corporations for large corporations. That's not the kind of society I want to live in. That corporate take-over has not happened here yet to the same extent, but corporation tax will bring it close and skew income discrepancies further.

- **A properly resourced, strategic thinking state:**

If NI is to carve out a distinctive and fruitful comparative advantage it will not emerge from the state and government simply standing back and expecting growth to take hold. The magic bean thesis that is at the core of the case for a corporation tax cut belongs in fairy tales. A transformation of Northern Ireland's economy requires bold and courageous thinking, ditching the tired ideological dogma that the state and the public sector is the enemy of the private sector, that the state necessarily crowds out private sector growth. A strong economy needs a strong state that catalyses and facilitates the private sector and underwrites its risk in certain areas. It also needs officials with a strong sense of public interest, capable of taking strategic action. Without this there will be no action in relation to the four other underlying problems. The state can be part of the solution, not part of the problem.

The Global Attack on Labour Rights

John Hendy QC

The continuous conflict between the interests of labour and capital lies at the heart of modern society today. However, we should not forget that this perversion of human nature is a brief and modern phenomenon. Palaeontology reminds us that modern humans date back about 120,000 years and began peopling the world about 80,000 years ago. For the vast majority of our human history, we have been hunter-gathers in almost wholly-egalitarian societies, free of hierarchies and inequality. It is with trade, settlement and farming some 10,000 years ago, a small fraction of our human existence, that the disjunction of producers and consumers as well as the creation of wealth emerged. With wealth of course comes exploitation, inequality and hierarchy and here begins the attack on the interests of labour.

The idea that there has been a free labour market at any time in our history since feudalism is absolutely absurd. Yet that preposterous notion of the free market and labour has been part of the dominant ideology from Adam Smith through to Hayek and today's neoliberalism.

Capitalism lurches from crisis to crisis, periodically relieved and reinvigorated by war. At times of crisis the pressures on the interest of labour are of course particularly intense and that is what we are seeing at the present time. The global crisis of finance has resulted in attacks on labour interests all over the world. In Europe, the troika of the European Central Bank, the International Monetary Fund (IMF) and the European Union has exploited the crisis to insist on fundamental changes to the labour laws and rights of workers and trade unions in Greece, Spain and Portugal and Italy. Meanwhile governments have run up by debts in order to bail out those same bankers without any democratic mandate.

But just before the onset of the current crisis, two particular cases involving the Court of Justice of the European Union highlight the attack on the interests of labour: the Viking and Laval cases.

The Viking case concerned a Finnish ferry company which ran from Finland to Estonia, owned by a Finnish company operator, crewed by a Finnish crew under a Finnish collective agreement maintaining Finnish terms and conditions of service. The Finnish owner then decided to set up a subsidiary in Estonia in order to hire Estonian seafarers to work on the ferries, to reflag the boats with the Estonian flag in order to reduce the labour costs and therefore enhance profit. The Finnish seafarers called a strike which was challenged in the court in London (since the International Transport Workers Federation head office is in London and the ITF had backed the Finnish Seafarers). In Finland, that strike was entirely lawful but the London judges granted an injunction against the ITF and the Finnish seafarers' union. The latter then took the case to the European Union. The CJEU held that although the right to strike was a fundamental human right, which the European Union recognised, it was subsidiary to the business freedoms protected by the European Union Treaty. If there was a clash between these two principles, a strike would not be allowed to interfere with the freedom of establishment of an employer in one European State to set up in another European State unless it was reasonable and proportionate.

The Laval case was equally outrageous. This case concerned the building of a school in Sweden which was contracted by a Latvian labour subcontractor who brought onto the site Latvian workers and paid those Latvian terms and conditions despite the insistence of the Swedish workers that everybody should be employed under Swedish terms and conditions. They blockaded the site until the Swedish collective agreements was respected. The Latvian owner challenged the blockade and the case ended up in the Court of Justice of the European Union which held that the freedom of one employer in one European State supplying labour to another European State overrode the fundamental rights to take industrial action and insist on the application of a collective agreement. The CJEU held that it was an interference with the Latvian employer's right to supply Latvian labour at Latvian terms and conditions in Sweden.

Those two cases constitute very significant attacks on the right to strike and the right to collective bargaining.

In these European attacks on workers' rights, the United Kingdom has a lot to answer for in showing the way forward. Many are familiar with the Thatcher's attack on unions (continued of course by the Blair and Brown governments). But the present government has gone yet further. The government has ended national collective bargaining in many parts of the public sector. They have also clamped down on trade union facility time in the civil service and no doubt that will spread to the private sector as well. Recently, they have announced the abolition of the last wages boards, the agricultural wages board which fixes minimum terms and conditions in the agricultural industry. In the agricultural world where workers are employed by diffuse small employers, isolated and impossible to organise and protect, the destruction of this form of collective bargaining is a recipe for rural poverty. There have been proposals to change trade union rights in the UK, constantly led by Dominic Raab and other back benchers who have influence with the government. These suggestions include banning strikes in essential services or introducing of a minimum turnout and a minimum majority to legitimate an industrial action ballot. You might ask why it is that this ConDem government has been so restrained in relation to the restriction of trade union in rights. The answer is very simple: because trade union rights in Britain are already so highly restrictive and their restrictions so effective.

Of course our government has also attacked individual employment rights. It has increased the qualification period for unfair dismissal from one year to two years. The effect of that is that 2.7 million workers were instantly denied the right to unfair dismissal because at anyone point in time there are 2.7 million workers who are employed for one year but who have not acquired two years of service.

From next April fees payable in employment tribunals are to be imposed: about £250 to lodge a claim and £1000 to go to full hearing. Considering that the median award for unfair dismissal for the year ended last September is £4506 (i.e. the award that most people managed to achieve for a successful unfair dismissal claim) what worker in their right mind is going to chance £1250 in fees for the prospect of probably getting £4500 back again? As a consequence, the government have estimated that the total number of applications to employment tribunals will fall by 25%. I personally suspect that it is more likely to fall by about 50%.

The government now proposes to cut the upper limit for compensation for unfair dismissal which currently stands at £65,000. Of course, once that falls, the median award will fall as well.

They have introduced a scheme whereby a worker can sign away his/her rights to unfair dismissal and other rights at work in order to get shares in his/her company. They have ended discrimination questionnaires in employment tribunal discrimination cases. These questionnaires, automatically provided by the employer at the request of the worker, describe discrimination statistics and are often instrumental in the success of a case.

The government has also introduced into the Enterprise Bill currently before Parliament and (without any consultation whatsoever) an amendment of section 47 of the Health and Safety at Work Act. This means that workers will no longer be entitled for compensation for ill health, injuries or death simply because a breach of statutory health and safety duty is proved. In other words, proving that there has been a breach of statutory duty (such as absence of a guard on dangerous machinery), will not automatically lead to compensation if the amendment is carried. Workers will have to prove negligence as well which is a higher legal hurdle.

The funding and the powers of the Health and Safety Executive and Equality Rights Commission have been slashed. On top of that, there are 60,000 redundancies in the public service. And to finish, the government has proposed that any new law to be introduced will no longer require a 12 weeks consultation but a two weeks one.

But let us return to trade union rights - or rather the lack of them. Let me remind you of the current situation in the UK.

Let's start with the right to strike. There is none. Thirty years of Thatcher's anti-union legislation has imposed restrictions on the ability of unions to organise industrial action. It is necessary to give notice of a ballot for industrial action. The notice must specify the number of voters, their occupations, their workplaces and the numbers in each workplace. Only those to be called on to take industrial action can be balloted. Any error may be fatal. After the ballot, the employer must be given the full ballot result. If there is to be industrial action, then notice must be given again specifying accurately numbers, occupations and workplaces. Only industrial action in contemplation of furtherance of a trade dispute is permitted; a trade dispute is essentially confined to terms and conditions of work. Only a dispute between workers and their own employer is permissible, thereby prohibiting any form of solidarity action. Those restrictions on industrial action have had a very profound effect.

For individuals, the protection for participating in a strike is negligible. Every worker who takes part in any form of industrial action in the UK is participating in a fundamental breach of their contract of employment, for which they can be punished in a multitude of ways: they can be dismissed, disciplined, demoted, even sued, have benefits removed or have their pay deducted for the period during which they participated in the industrial action.

The only protection is that it is automatically an unfair dismissal if you are dismissed while participating in an official lawful industrial action.

But that protection against unfair dismissal is practically valueless. As we have already mentioned, the medium award for compensation is only £4500. Most importantly it is virtually impossible to get a reinstatement or reengagement order which is the protection that a striker needs. The statistics show us that last year there were 52,000 claims for unfair dismissal in

England and Wales, of which only 4,900 were successful. Of those, only eight reinstatement or reengagement orders were made (not just for strike cases but in all unfair dismissal cases). That is 0.01% of successful cases result in a reinstatement or reengagement order. The percentage of orders made in industrial action cases is unknown. But there is a further twist. An employer need not comply with a reinstatement or reengagement order, though if he does not there will be a modest increase in the compensation.

The restrictions of trade unions are not only restrictive, they are also effective. In 1979, 82% of British workers had one or more of their terms and conditions regulated by a collective agreement. The proportion is now 30%. This means that seven out of every ten British workers are at the complete mercy of the employer in setting terms and conditions. This compares to an average coverage across Europe of between 70 and 80%. In some countries like Austria 98% of workers have their terms and conditions regulated by a collective bargaining. In France, it's about 75% even though only 17% of workers are actually members of trade unions.

There is no country on earth in which the coverage of collective bargaining has declined so rapidly and extensively as in the United Kingdom. In my view, this decline is very largely a result of the restrictions on the rights of trade unions to take industrial action and to collectively bargain. Of course, there are other factors – mass unemployment, decline of the well-organised industries, eradication of the coal mining and ship building industries, but the restrictions on the fundamental rights of unions to take industrial action is one of the principal causes.

This decline in collective bargaining coverage has played a very large part in the rising inequality in Britain with all its pernicious consequences, poverty, homelessness, crime, drugs, ill health, the rise of death or peri-natal mortality rates, all those things which are accentuated by inequality.

Moreover, the decline in collective bargaining has led to a loss of trade union members. Although some people join to get legal protection or travel benefits, most people join a trade union because they believe that the unions can defend and improve their terms and conditions. Most people are not going to join a union which cannot successfully collectively bargain because it cannot exercise leverage by the threat of industrial action. There is no doubt that the decline in membership is a result of the decline in collective bargaining. As a consequence, British unions are in a very weak state at the moment and they are unable to resist the current government slash and burn policies that are destroying the welfare state.

The restoration of collective bargaining has to be the absolute top of the agenda for British trade unions. Let me offer you five arguments for that.

Firstly, collective bargaining agreements are essential for democracy. People spend a very large part of their lives at work and they need a voice at work. Without trade unions, an individual worker has no democratic input into life at work or the determination of the terms and conditions on which s/he works.

Secondly, collective bargaining is needed for justice. Everybody recognises the imbalance of power between the worker on the one side and the employer on the other side. In order for there to be justice, that imbalance of power needs to be evened up. Only collective bargaining and an effective trade union can do that.

Thirdly, the only way of reversing inequality in our society is for effective collective bargaining to improve the terms and conditions of our 29 million workers.

Fourthly, there is the economic argument. If you look at the most successful economies in the world, one of the features of their industrial relations is the presence of sectorial collective bargaining. In the case of Germany, collective bargaining was brought by Britain when the Trade Unions Congress advised the West German government of the time on how to structure industrial relations and insisted on national level collective bargaining for each sector of industry. Collective bargaining is the absolute key to economic success. The more equal the society, the more successful the economy. The more collective bargaining there is, the more successful the economy.

It all goes to a fundamental contradiction of neoliberalism, the contradiction that capitalist organisations want cheap labour but rich consumers. We know about the neoliberal policy across Europe (and in particular in the United Kingdom) which aims at cutting benefits and wages. The effect of that is to reduce demand and has the absolute opposite effect of reinvigorating the national economy. So we ought to go back to the collective bargaining which characterised the industrial relations of the best part of the first 75 years of the twentieth century. We need to get back to collective bargaining in order to raise wages and to increase the purchasing power of working people. We know that working people spend their money, they don't put it in the Netherlands Antilles and earn interest on it.

Finally, the fifth argument is the one that, as a lawyer, concerns me the most: the argument of international law. Collective bargaining is a fundamental human right. In an absolutely landmark judgement called *Demir and Baykara v Turkey* (2008), the European Court of Human Rights held that Article 11 of the European Convention, which protects the freedom of association and the right to be a member of a union for the protection of the workers' interests, has, as an 'essential element,' the right to collective bargaining.

The right to collective bargaining is an internationally recognised human right and is expressly mentioned in other international conventions: in the European Social Charter (1961) (Article 5 and Article 6 in particular) and the International Labour Organisation Convention (C98).

Collective bargaining underpinned by the right to strike is a requirement of international law. Of course without the right to strike, collective bargaining is meaningless. You cannot successfully bargain with an employer unless you have got leverage. That leverage is the threat of the withdrawal of labour.

The legal argument for collective bargaining is important. The fact that collective bargaining is underpinned by international law means that trade unions have an unimpeachable and authoritative case which rises above suggestions of narrow self-interest.

I will conclude by looking a bit more at international law. After the First World War the International Labour Organisation (ILO) was set up as tripartite body between governments, representatives of employers and representatives of employees. Every so often it passes a convention on some aspects of work. The most important conventions are the Conventions 87 and 98 protecting the right to industrial action, the right to trade union autonomy and the right to collective bargaining. But the ILO also reviews every year the countries which have ratified the conventions; convention

by convention and country by country. In the case of the United Kingdom, every year the ILO condemns our laws on the right to strike as being in breach of Convention 87 and 98.

Another international law comes from the Council of Europe. Founded in 1949 after the Second World War, it now consists in 47 States. It has got two particular documents of significance to us: the European Convention on Human Rights (supervised by the European Court of Human Rights) and the European Social Charter (1961, revised 1996). Britain introduced the ECHR into British law by the Human Rights Act 1998. The ECtHR has dealt with the UK's laws on trade unions on a very few occasions. There are three more cases which are proceeding in the ECtHR.

One is an application by the RMT union which is challenging the bar on secondary action and the requirement to notify the employer of the job descriptions of all workers who are to vote and subsequently to take industrial action. There is an application by UNITE in relation to the cabin crew dispute where British Airways decided to remove from the strikers their entitlement to travel benefits. When the dispute was resolved those travel benefits were reinstated but they were not reinstated retrospectively. Our argument is that the failure of the UK law to protect workers against the withdrawal of benefits as a penalty for going on strike – and in that case a legal official strike – is in breach of the Convention. The third case is the Prison Officers' Association challenging the prohibition on prison officers from taking any form of industrial action and the union from calling for industrial action.

These cases may be heard in 2013.

When you recently read in the newspapers how outrageous it is that the ECtHR has held that prisoners should be allowed the right to vote. You may wonder why anybody (but prisoners) care whether prisoners have the right to vote or not. The reason for the storm is about laying the ground for the government to defy the European Court of Human Rights in relation to something like that issue so that when these important cases come before the European Court of Human Rights and if, as I hope, the ECtHR says that our laws on strikes are in breach of the European Convention, then the government has a precedent for defiance, saying they have already defied on prisoners' rights and now refuse to implement the decision of a foreign court over industrial action.

Finally, I want to highlight the tension between international legal rights and neoliberalism which would want them swept away. One can ask how is it that we even had these rights set up in the first place and how does the dominant ideology tolerate them now. After the First World War, the International Labour Organisation was set up in the light of the Russian Revolution. The Western European powers were absolutely petrified that the Russian Revolution and communism would spread west. Therefore, they gave the workers, through the ILO, these rights as standards that the capitalist countries of the world would adhere to. After the Second World War, the thesis was exactly the same. The European Convention was set up as an element of the Cold War against the Soviet Union. They wanted to show that workers on this side of the Iron Curtain had rights which protected them better than workers in the Soviet Union. That was the impetus for the European Convention of Human Rights. That is why we got these relatively progressive laws which extend far beyond industrial action.

However, now that there is no countervailing ideological threat from the east, the forces of capital are trying to undermine these structures. Last year at the ILO, the employers' delegation

walked out of an important committee meeting on the basis that they were not prepared to discuss any case involving the right to strike because it was not part of the ILO jurisprudence. And this despite the fact that it has been enforced for at least 50 years and that every year there are decisions of the ILO about the right to strike.

Simultaneously the United Kingdom has led the attack to undermine the European Convention and the ECtHR. The media report that these “unelected foreign judges are telling us what to do in this Parliament democracy”. Of course, they ignore the fact that Britain voluntarily ratified the European Convention, that Britain has a judge on the European Court and the fact that judges on the European Court are elected by the Parliamentary Assembly of the Council of Europe.

This points up that the Trade Union movement must be active on this issue and stand up for the defence of the European Convention and the European Court of Human Rights. It is not that these human rights are revolutionary in any way or even socialist at all, but in times when capitalism is absolutely rampant they may provide a means of defence of our interests and we must protect what we can.

The Media Industries in Northern Ireland

Dr. Stephen Baker

Like many post-industrial cities, Belfast is looking to the so-called creative industries as way out of the economic doldrums. The MTV Europe Music Awards, hosted by the city in 2011, are reported to have generated approximately £22m for the region – £25 for every £1 of public money spent on the event. Meanwhile, the filming of Home Box Office's (HBO) *Game of Thrones* in Northern Ireland is estimated to have pumped £65m into the local economy, a substantial return on the £6.05m Northern Ireland Screen Fund (supported by Invest NI) paid in grants to HBO to help with the costs of the first two series. You would have to be a pretty curmudgeonly aul' socialist to argue with dividends like those, but despite the 'cool' image and the extraordinary sums of money associated with them, the creative media industries raise a number of key questions that the trade unions need to address urgently, not least around the quality of employment.

Northern Ireland's association with global media corporations like MTV and HBO has grabbed the headlines but the region has a growing indigenous media industry, part of a bewilderingly diverse range of creative enterprises that include everything from filmmaking and computer software design, to fashion, bookbinding and antique markets. Described by the Department of Culture, Arts and Leisure (DCAL) as 'one of the fastest growing and increasingly important sectors of the economy', there are approximately 2,200 'creative enterprises' in Northern Ireland, employing around 31,000 people, that's just over 4% of total employment in the region. If we are talking about the media sector specifically, there are roughly 700 companies, employing almost 11,000 people.

Despite its perceived importance, there is a feeling that the creative industries are not quite delivering on their potential. Between 1997 and 2007 there was a 24% growth in employment in the sector compared with an 11% increase in jobs overall. Yet the creative industries accounted for just 2% of the Gross Value Added (GVA) in Northern Ireland. This has prompted the Northern Ireland Assembly's Committee for Culture, Arts and Leisure to issue a report asking what can be done to facilitate the development of and capitalisation on the potential of the sector. Among its recommendations are a 'high-profile branding' of the creative industries; greater collaboration between DCAL and the Department of Enterprise, Trade and Industry (DETI); and closer ties between industry and education in order to develop the skilled workforce that the creative sector needs.

This last recommendation is important given that a perennial lament from employers is that they suffer a 'skills deficit' – the problem of finding workers with sufficient and relevant training to work in the creative and media industries. As a remedy those same employers propose that responsibility for training be devolved to the education sector, which since the abolition of the Educational Maintenance Allowance (EMA) and the introduction of higher university fees means the costs of training and acquiring skills will be borne by those who want to work in the industry.

Despite this, there is no shortage of prospective employees. According to the *Sector Skills Assessment for the Creative Media Industries in Northern Ireland*, published in January, 2011, there is an 'oversupply of potential new entrants keen to enter an area commonly seen as

glamorous and exciting'. As a consequence, there is a high level of voluntary or unpaid work undertaken in order to get a foot in the door and a first paid job. The Sector Skills Assessment points to more than two fifths (46%) of the workforce in the local media industries as having undertaken unpaid work in order to get into the industry – a similar proportion to the UK average.

Another deeply troubling issue for people looking to enter the media industries is that almost half of the workers (48%) within the sector in Northern Ireland are 'freelancers'. When I asked BECTU, the media and entertainment union, what was the single biggest issue facing its members, I was told without hesitation, freelance work.

Although freelancing is often presented as something desirable – allowing people to be flexible and freeing them from routine – the most obvious effect of not knowing where the next paycheck is coming from is anxiety and stress. Another worrying consequence is that workers are made vulnerable to exploitation, because no freelancer wants a reputation for being anything less than compliant. But the reliance of the industry on precarious employment practices might also lie behind the skills deficit. According to the *Skills Sector Assessment*, freelancers miss out on staff development and training opportunities, since employers are unlikely to invest time and money in up-skilling temporary staff. Between the costs of training and the probability of having to work unpaid at some point, employment in the sector looks like the preserve of those who can afford it.

As workers get older the news doesn't get any better, especially for women. *The Skills Sector Assessment* says that the 'oversupply of people wanting to enter the industry has also had implications for retention as well as recruitment. . . people who choose to start a family commonly find it difficult to combine this with a career in the creative media industries and the problem appears more acute for women.' Women are poorly represented within the industry anyway – only 22% compared with 47% across Northern Ireland, a figure that gets worse among older women, who are left to struggle, trying to balance raising a family with the unpredictable hours and, one would think, competitive nature of securing freelance employment.

The creative and media industries trade on glamour and excitement. They seem to hold out the promise of innovative, fulfilling work. But the facts do not seem to support that popular perception. An important question then is how might workers organise to improve their lot, especially in an industry whose conditions of employment frequently pitch them against one another in competition for the same precarious jobs?

And what happens if those global media corporations currently patronizing Northern Ireland find somewhere else offering more generous grants and incentives? How sustainable is an industry that seems reluctant to invest in training its own workers? What sort of jobs will be available to people in Northern Ireland? Will they be skilled and well-paid, or menial and low-paid? Will workers here be confined to waiting on the tables and clearing up after the cosmopolitan rich and famous who jet in and out again on their way to another corporate beano?

The media is not like any other industry. Its role in life reaches beyond the purely economic into the cultural and political spheres, and this is why the quality of the employment offered to workers within the sector is so important. Human beings are communicative animals. From the moment that the first cave-dweller gestured to the person in the cave across the valley, human society has depended upon means of communication. In the contemporary world, both

quantitatively and qualitatively, human communication and society depends upon modern media technologies and institutions. The great horizontal comradeship of nations, class consciousness, virtual communities and global protest movements are simply unimaginable without modern forms of communication like newspapers, television and the internet. Indeed, media is the very life blood of the political processes that we live in. It is no coincidence that modern democracies arise at the same time as the spread of the printing press and the growth of a literate public. Access to information and debates about the affairs of the day remain prerequisites of democratic citizenship. The casualisation and immiseration of workers in the media industry has democratic and political consequence. You do not have to look very far to see the scandalous results of cut-back, inexperienced newsrooms and broadcasters' preferences for cheaper and cheapening forms of mass entertainment.

The best guarantee of our collective cultural and democratic interests is to have strong, trade union representation within the media industry, arguing on behalf of members that they should be given time to accrue experience and knowledge in their field and that their professional development is properly invested in. In a fledgling democracy like Northern Ireland, these are not peripheral issues. They should be right at the heart of debates about the quality of life and politics here. They are sadly absent. Instead our policymakers see the media merely as a means by which to make a buck and worry about the cheapest way to produce a precariat to serve it.

Can a 'Double Transition' be a 'Just Transition'?

Sinéad Pentony

Introduction

Creating a new kind of economy is crucial if we want to emerge from the current economic crisis that has gripped most developed economies for the last number of years. But we also need a blueprint for building an economy based on stability, sustainability and equality.

First of all, we need to think about what kind of society we would like to live in 'after the crisis' and how the economy needs to be transformed so that it can provide the population with the opportunity to receive a good education, to work, earn a living and support our families, communities and wider society.

The predominant market-driven, infinite-growth model of the recent past has let us down. The financial crisis has exposed deep flaws in the approach to economics that has dominated policy-making for a generation. Economic liberalisation has not delivered on its promise of rapid growth on a consistent basis, but has rather been characterised by economic booms and crashes.

The current economic crisis is a systemic crisis of a form of capitalism that has broken free of society. Financialised capital has shaken off any responsibility not just to society but the wider productive economy. As a result we are now paying the price in lost output, lost jobs and lost hope.

A New Economic Paradigm

It is time for a new vision for the economy – one that does not rely for its stability on relentless growth and expanding material throughput. At the same time, material advances are important – we need good housing, transport, an adequate income that enables us to meet our needs – and we desperately need to see some light at the end of the tunnel in term of emerging from the crisis.

This leads us to a number of big questions: how is it possible to maintain social progress and social cohesion with limited growth which is decisively smaller than the one previous maintained? Is it possible to achieve the goals associated with social progress within an economy defined by a new vision: a vision premised on the idea of flourishing within environmental limits?

The challenge of ecological sustainability is now widely recognised, but what instruments are needed to achieve it and, crucially, how can we avoid unduly sacrificing other important social goals, such as equality, good jobs and quality public services?

There is, as yet, no clear model for achieving economic progress without consumption growth. But in saying that, efforts are being made to articulate what 'no-growth' or 'low-growth' models might look like. However these models are still in their infancy.

A new vision for society, and the role of the economy within that vision, must be accompanied by different measures of progress and well-being. Our understanding of the economy needs to undergo a radical transformation, if we are to move beyond a narrow GDP measure and towards inclusive and sustainable growth. But to do this, we must divest ourselves of the compulsion to pursue growth at any cost.

In the midst of the current crisis, there is a huge opportunity to do things differently that will simultaneously address the need to promote economic recovery; start the process of reducing our over-dependence on non-renewable resources; and cutting carbon emissions.

More specifically, this should include building a more diverse economy, where the focus is on productive activity rather than speculative activity. But the production on goods and services has to be done in an environmentally sustainable manner (for example organic farming, renewable energy, 'green' buildings, and supporting the development of industries and services with a low carbon footprint).

This requires investment in innovation and the creation of a highly skilled workforce. By spending now to build a low carbon economy, we could generate a new wave of highly skilled, green-collar workers.

Will this huge amount of investment be costly?

Yes, but much less costly in the long term than inaction in the face of environmental crisis.

Stewart Lansley in his book on the *Cost of Inequality: Why Economic Equality is Essential for Recovery* presents evidence from the last 100 years that more equal societies alleviate, and more polarised societies exacerbate, i.e. the 'gyrations' of the economic cycle. Lansley also argues that inequality is not just an issue about fairness and equity but that it is integral to economic success. As a matter of fact, an economic model that encourages the richest members of society to accumulate more and more wealth leads to demand deflation, asset appreciation, and a constriction of the productive economy, which ultimately results in economic instability.

Ending the present crisis and building a sustainable global economy requires a much more fundamental leap that accepts that there is a limit to the level of inequality a country can have that is consistent with stability. This means that the successful management of economies also depends on securing a more equal distribution of incomes. But reducing inequality has not been a central economic goal alongside say, controlling inflation, or tackling fiscal deficits.

Translating talk into action requires governments and policy makers to set clear targets for a number of key economic relationships. These should include striking the right balance between wages and profits and using pay caps and progressive taxation to reduce the gap between high and low earners.

These are difficult choices which are made even more difficult by the current situation that we and other countries find ourselves in. And this difficult task has to go hand in hand with measures to transform economies into sustainable, low carbon and low growth economies.

The state has a key role to play in creating the conditions for a transformation of the economy. The problem is not too much government or state involvement, but not enough of the right kind of government action and state intervention. Finance capital has to be put in its place as a servant to the rest of the economy and society. Otherwise it fails to invest in the real economy and instead creates asset bubbles, like the sub-prime mortgage market, which destabilises the whole economy.

The implementation of a global, and if not European, Financial Transaction Tax on all speculative investments has to be part of the reform of finance and banking. This tax would have the dual effect of discouraging damaging and risky trading, while at the same time establishing funds for social and public investment.

Political Economy

Economic development cannot be seen in isolation from the enormous impact it has on societal norms and values. This is why we need to start talking about a new political economy. The economy needs to be designed to promote well-being, equality and environmental sustainability as primary goals. Political economy is the application of a set of political values to economic thinking and actions to achieve these goals.

What are the means by which we can strengthen the economy so that it becomes more democratic? A new political economy must engender active economic citizenship, whereby we demand the right courses of action from those in decision-making positions. Without an active economic citizenship, we will always be the victims of people, institutions and bureaucracies telling us things happen because we have to, and that there is nothing we can do to alter them, no matter how unpleasant and unjust they may appear. The current policy of pursuing austerity at all costs serves as a perfect example of how we are told 'there is no alternative' way of responding to the economic and financial crisis.

Steps towards creating a new political economy will include a focus on creating the conditions for more economic democracy; re-regulating the market; re-embedding capital back into the 'real' economy; reforming taxation to support the provision of public goods (education, health and social protection); protecting wage floors and ensuring they are adequate; and reconfiguring growth so that it is sustainable and regionally balanced.

A 'Just Transition'

The trade union movement has developed the concept of a 'Just Transition'; the notion that the transition process to a greener economy has to be inclusive of all stakeholders, and that the unavoidable employment and social costs of the transition have to be shared by all.

Because one thing is sure: if the transition to a greener economy generates employment, it will also entail job losses for some. Who will lose out? What support will be provided to workers and communities that are on the losing end? What skills will be needed in the new sectors? How do we ensure that the new jobs are decent jobs?

These very questions lead to a number of inescapable conclusions: social dialogue will have to be at the heart of the transition process; and governments, beyond regulating the emission of

greenhouse gases, will have a key role in promoting the sort of industrial and social policies that will lead to the creation of productive and decent employment.

The notion of a 'Just Transition' is in line with the idea that social concerns and equality have to be part and parcel of economic decision-making; that the costs of economic transition should be socialised as much as possible; and that the economic management of the economy is best achieved when there is genuine social dialogue between all stakeholder in society.

A 'Just Transition' framework offers potential as a 'transitional tool' that could be applied by a new political economy, in making the shift towards a different economic model.

Towards an ethical ecological socialist republic

Mary Murphy Department of Sociology NUI Maynooth March 17 2013

In *Towards a Second Republic* (Kirby and Murphy 2011), we argue that the present crisis in Ireland is just the latest, though also the worst, of a series of boom-bust cycles that occurred over the period since independence and that have marked the history of the first Irish Republic. While clearly an outcome of global neoliberalism, it is also widely recognised as a by-product of the dysfunctional nature of the Irish political system. Economic decisions reflected the power of vested interests and elites, created clear winners and losers and led to unsustainable patterns of development, both socially and environmentally. This pattern of boom and bust is therefore likely to reoccur unless we fundamentally redesign our political system to create a distribution of power and a style of politics and can lead to a more sustainable and equitable economic model working in the long term interest of the public good, our people and our environment.

In searching for a new paradigm or model for Ireland there are options and alternatives. We can look to resurrect the unsustainable 'neoliberal model' that has led us into the present deep recession. Or, we can seek a break with the past and develop 'a developmental social democratic model' with a more sustainable economy less dependent on foreign multinationals and with more effective mechanisms of redistribution to reverse the deeply entrenched inequalities that so blight Irish society. Or, as the twin challenges of climate change and peak oil impact more deeply, conditions may emerge for a more 'ecological or ethical socialist model' with less focus on quantitative growth and consumption and more focus on living well. These two latter options offer the possibility of an economy that works for a caring society and facilitates care of our environment. While our choices are clearly in the context of globalisation and our membership of the European Union lessons from states elsewhere show that, even in crisis, it is possible to shape more sustainable futures. And despite a neoliberal discourse that remains strong it is essential that those who believe in the necessity of a more equitable and sustainable society work to make credible the viability of such an alternative.

The first step in so doing is to expose the fallacy of the growth model on which neoliberal growth models thrive. However this also begs questions of the second model, the developmental state model espoused by many progressives, social democrats and socialists. While a shift from a neoliberal to a developmental model would be a change for the better it would still be relatively thin change and would essentially leave intact the contours of the present model; reliance on economic growth and a failure to deal with the decline of labour as a share of national income and consequent deepening of inequality in power and distribution; there would be only cosmetic changes to sustainability without significant reductions in carbon footprints and dependence on fossil fuels would remain. For this reason many have called this strategy a defensive, shallow, protective type of change (Cock 2007, Ungar 2009)

The second alternative offers a thick change model which fundamentally changes the focus of growth. From where can we find inspiration for such alternatives? Marxist type struggles have tended to focus against exploitation in production but are often weak on contemporary relevance and

environmental credibility (Ungar, 2009). Indeed historically Marxist inspired socialist models were heavily industrialist and ecologically unsustainable. Degrowth strategies offer a thick change model based on recognising limits and fundamentally challenging the idea of a growth economy. Addressing the limits of the ecosystem provides the incentives to move to a radically new configuration of social, state and economic power. This transformative change agenda requires re-localisation of economies and a dependence on renewables both of which can strengthen social power, moving to decarbonised economy can also strengthen state power. This shift from market power to new forms of state and especially social power is what Wright calls *new social 'ism'* (Wright 2010).

This requires direct engagement with power. Forcing economic power to live within limits of sustainability requires strengthening social and political power and weakening economic power. This means radically changing the nature of the market economy through strengthening the social economy and enhancing both the regulatory and enabling power of the state. Fournier (2008) argues this requires a reimagination of our collective economic relations, identities and activities in terms of democracy and citizenship. This in turn requires a thick democracy and active society, a 'double movements' and an ongoing 'high energy democracy' (Ungar 2009). How do we find time and public sphere to create and sustain this level of ongoing concerted political activity?

An obvious starting point is to make people more aware of the fundamental damage capitalism is doing to society. Polanyi (2001) originally saw capitalism destroying society by placing a market value on land, labour, capital, the original fictitious commodities. In the 21st century care, love, knowledge and nature itself are all commodified and the very essence of humanity is monetised and marketised. Likewise climate change has its most negative consequences on the poorest and has lethal implications for global development and survival. It is a contradiction to export our unsustainable model with high ecological footprints to societies that live within their biocapacity, rather we need to learn from them in a more reciprocal global order based on local innovation and adaptation.

Climate justice requires that we live in a global society of interdependence and reciprocity. This requires a focus on income distribution, care relations, public goods and strong local communities which can equalise conditions, strengthen support networks and build resilience. Aiming for a more egalitarian distribution of income, care, work, democracy and power requires viable alternatives and theory of transformation for realizing alternatives. These viable alternatives combined can be referred to as *degrowth*.

How do we get from A to B. Wright (2012) offers a three pronged strategy for transformation arguing we achieve change through a mixture of ruptural (revolutionary), interstitial (prefabrication) and symbiotic (reformist) transformations. The latter reformist strategies work from within the present system to extend or deepen institutional forms of social empowerment involving state & civil society. Such reforms simultaneously help to solve practical problems of dominant classes and elites but also enable those seeking alternatives to use this space to sow the seeds of the new power configurations they want to move towards and at least set the compass in a different direction.

At first glance it is very difficult to see what a degrowth strategy can offer elites in this time of austerity. On the one hand it is somewhat ironic that the dominant neoliberal approach of austerity is in fact enabling a form of degrowth. However this is not a symbiotic strategy that will create long term sustainability. On the other hand when there is an urgent need to tackle far

too high unemployment and joblessness through investment for growth and job creation, is it credible that a degrowth strategy can be made relevant to or solve practical problems of dominant classes and elites and society more generally?

A starting point is to shift from jobs that produce 'goods' for consumption to jobs that maintain goods for use, this implies a shift to service and care work & local provisioning. This is a shift that is already happening (Davis 2012), Galbraith (2008) argues only 17% of employment is required to service production. A second strategy is to focus on redistribution and predistribution and to focus on the distribution of work (paid and unpaid), care (paid and unpaid) and income (paid and unpaid). Degrowth is not a thesis of 'end of work', but it does look at the type, quality and distribution of work, at who has jobs, the working week, job quality, care, lifelong learning and work autonomy. Various countries including France and Germany have focused on reduced working weeks as strategies to manage crisis. The Euromemorandum (2013) argues for a thirty hour week and Simms (2012) argues for a 21 hours week.

Eco-social policy literature links a reduced working week with a direct environmental gain (Gough 2013). This still requires a focus on investment seen in developmental state strategies but the focus has to be on social investment in 'good' employment (care rather than motorways and renewable instead of agribusiness). There are many ways to ground this in social policy. We can support the choice to work 'part time' work through changes in employment regulations (as Netherlands and Austria have done), we can change social welfare regulations and provisions to facilitate new forms of work (as in Nordic countries) and reform tax changes with refundable tax credits to better support low income workers (as done in many OECD countries). We can encourage redistribution of domestic and social care work across genders through paid paternal leave.

We have choices. The option we choose will be a reflection of our values. A life not dominated by waged work also gives time to think and act democratically and offers further transformation in power relations. The process of creating a Second Republic gives us opportunity to collectively and publicly reflect on our values, to reject failed values and to look towards true republican values that stress the important of active citizenship and participation, our mutual interdependence and care relationships, solidarity, equality and sustainability. This implies simplified lifestyles with less individualism and more stress on the collective, this ethos of living within our means undermines debt-based growth.

Degrowth as a concept and strategy allows us think about 'putting the economy back in its place', it draws attention to the political nature of the economy and the need to re-embed economy in social/political through democratic action. We need to affirm and promote values grounded in humanism and the republican ideals of democracy, equality and solidarity (Fournier 2008). Taking the focus off growth means measuring 'development' in more progressive ways, valuing care and devaluing environmental decay. A shift towards ecological citizenship implies a shift from a consumer to a recycling society and from planned obsolescence to an economy of maintenance. Artificial demand can be dampened by high taxes on advertising; consumerism can be thwarted by banning billboard advertising as was done in Vermont, Hawaii, Maine, Alaska.

The politics of making it happen will not be easy. While Irish politics is now very volatile it is not yet clear whether we are experiencing the degree of shift in political cleavages that might lead towards a Second Republic inspired by such values. But there is now an obvious opportunity,

not only in the present crisis but also in the period of commemoration over the next decade, to promote a new value base and the political, economic and social project of building a second Irish Republic. Our own history and lessons from abroad show us that a Second Republic will be built on an active citizenry. It will not happen without the initiative and activism of Irish people to break from the past and create new public spheres and language to enable us construct together a truly civic republic. But this will not be enough with fully addressing the model of political economy and a shift in power that enables a more democratic control of production and orienting production for social need not for profit.

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The Protestant community and the Irish language

Linda Ervine

When I tell people that I am the Irish language development officer for East Belfast, there is always a look of surprise and with a tone of disbelief they say things like, 'Is there much interest in the Irish language in East Belfast?'.
.....

I suppose this reaction is hardly surprising as East Belfast has in recent times been depicted by the media as a place of violent confrontation. Images of burning cars and masked youths throwing missiles, flash across our television screens; and as you drive up the Newtownards Road, coming from the city centre, you are greeted with images of masked men pointing guns, messages such as 'Irish Out' and of course the red, white and blue bunting which has become an all year round decoration. Not really a place where you would expect to find an Irish language class. Yet the East Belfast Mission which is located on the lower Newtownards Road, amid the murals, has been running Irish classes since November last year and recently had to increase the number of classes to three nights a week due to the ever growing demand from the local community and it is the continued existence of these classes which show another side to East Belfast.

The classes came about through the shared vision of East Belfast Mission and An Droichead, an Irish language centre on the nearby Ormeau Road. Ever since EBM and An Droichead took the courageous step of introducing the Irish language into the heart of Loyalist East Belfast, interest in learning Irish has steadily increased. In fact I am overwhelmed by the interest that has been expressed by people from the unionist community and greatly encouraged by the

Nuair a deirim le daoine gur mise an tOifigeach Forbartha Gaeilge d'Oirthear Bhéal Feirste tagann faoilte an iontais orthu agus le guth a thugann le fios nach gcreidtear é freagraíonn siad lena leithéid de, 'an bhfuil mórán suime sa Ghaeilge i nOirthear Bhéal Feirste?'

Is dóigh liom nach mó an t-iontas go bhfuil an dearcadh seo in Oirthear Bhéal Feirste mar, le tamall anuas, tá na meáin ag léiriú na háite mar cheantar a bhfuil achran fhoréignach ann. Léirítear ar scaileáin na dteilifíseán íomhanna de charranna trí thine agus déagóirí masctha ag caitheamh clocha. Ar theacht ó lár na cathrach duit agus tú ag tiomáint suas Bóthar Bhaile Nua na hArda fáiltíonn íomhanna de ghunnadóirí masctha armtha agus scríbhinní ag rá 'Irish out' agus na stiallbharratacha gorm, bán is dearg a mhaíonn an bóthar fud fad na bliana romhat. Ní ceantar é a mbeadh duine ag súil le teacht ar rang Gaeilge ann. Ach tá an Misean Béal Feirste Thoir (MBFT) atá suite ag bun Bhóthar Bhaile Nua na hArda, i measc na múrphictiúr, ag reáchtáil ranganna Gaeilge ó mhí na Samhna na bliana seo chuaigh thart agus b'éigean dó cur le líon na ranganna Gaeilge go dtí trí rang sa tseachtain mar gheall ar an éileamh ó mhuintir na háite. Léiríonn na ranganna leanúnacha seo íomha eile d'Oirthear Bhéal Feirste.

Tharla do na ranganna Gaeilge mar gheall ar fhís choitianta den MBFT agus d'An Droichead, lárionad cultúrtha atá suite san oirdheisceart ar Bhóthar Ormeau. Ó rinne an MBFT agus An Droichead an cinneadh calma le ranganna Gaeilge a chur ar fáil i gcroílár Oirthear Bhéal Feirste Dhílsigh tá suim sa Ghaeilge ag méadú leis. Le fírinne, chuaigh an tsuim a léirigh an pobal aontachtach sa Ghaeilge i gcion ormsa agus is ábhar

number of new learners who are becoming passionate about the language. With continued support from An Droichead, and Foras na Gaeilge, the funders of my post, we hope to establish ourselves as the first Irish language centre in a Protestant/Unionist/Loyalist (P/U/L) area.

We have made it a priority to make links with other Irish language organisations such as; Cultúrlann McAdam Ó Fiaich, Cumann Cultúrtha Mhic Reachtain, Ultach Trust and Cumann Chluain Ard, because we believe that it is important that an organisation which is perceived as Protestant and unionist, should have a presence within the Irish language world.

But how and why is the Irish language gaining a foothold in the heart of East Belfast? Well there are various explanations. Firstly, many Protestants have a genuine interest in the language; they want to know the meanings of place, names and surnames; they are intrigued by the words and phrases of a language which they believe has been denied to them.

The fact that this new initiative has come out of a Methodist Church and is being led by someone, not only from within the Protestant Community but from a family who would be regarded as Loyalist with a capital 'L' is certainly unique and has in some way provided Protestants with permission to learn a language which until now they had regarded as the language of their enemy. Their perception of Irish as nationalist, Republican and Roman Catholic has in the past, alienated them from it.

'The Hidden History of Protestants and the Irish Language', the title of the workshop which is taken out into the community, helps to strip the language of its Republican associations and creates a new context for it that members of the P/U/L community feel comfortable with.

spreagtha agam líon na bhfoghlaimoirí atá comhphaiseanta sin i leith na Gaeilge. Tá súil againn, le tacaíocht leanúnach ó An Droichead agus maoinitheoir mo phoist, Foras na Gaeilge, an chéadionad Gaeilge a chur ar bun i gceantar PAD.

Tá sé mar thosaíocht againne nascanna a dhéanamh le heagraíochtaí Gaeilge eile mar atá: Cultúrlann MacAdaim-Ó Fiaich, Cumann Cultúrtha Mhic Reachtain, Ultach Trust agus Cumann Chluain Ard cionn is go measann muid go bhfuil sé tábhachtach go mbeadh áit d'eagraíocht a airítear a bheith aontachtach protastúnach i saol na Gaeilge.

Cadé mar is féidir leis an Ghaeilge teacht isteach i gcroílár Oirthear Bhéal Feirste? Tá cúiseanna ar leith ann. Ar an chéad dul síos, tá fíorshuim ag neart protastúnaigh sa Ghaeilge; ba mhaith leo tuiscint a bheith acu ar na logainmneacha agus sloinntí agus músclaíonn focail is abairtí Gaeilge spéis iontu faoi theanga a chreidtear a bheith diúltaithe dóibh.

Is sainiúil an rud é gur eascair an tionscnamh nua seo as eaglais mhodhach agus é á thiomáint ag duine a thagann, chan amháin ón phobal phrotastúnach, ach ó theaghlach dílseach atá i mbéal an phobail phrotastúnaigh, rud a chuidigh go mór leis an phobal phrotastúnach tabhairt faoi fhoghlaím teanga a shonraítear mar theanga na namhad í. San aimsir atá thart, thuig an pobal protastúnach gurbh amhlaidh an Ghaeilge agus a bheith náisiúnach, poblachtánach is caitliceach, rud a choinnigh ón Ghaeilge iad.

Is é 'Stair faoi cheilt na bprotastúnach agus an Ghaeilge', teideal na ceardlainne a chuirtear ar fáil sa phobal a chruthaíonn comhthéacs nua don phobal PAD, rud a ligeann dóibh a bheith níos tuisceanaí don Ghaeilge nó baineann sé nasc an phoblachtanaís uathí.

Within East Belfast Mission there is an attempt to normalise the language. Each Sunday the Church bulletin lists the nightly Irish classes along with all the other weekly church activities, and announcements are made from the pulpit regarding various Irish language events. Although at first some members of the congregation were a bit taken aback, now it has become part and parcel of everyday church life and members of the congregation have joined the classes and become keen students of the Irish language.

By providing free lessons in East Belfast Mission, new learners are given the opportunity to engage with the Irish language within their own community before being encouraged to venture out to other parts of Belfast to attend Irish language events. Our large number of learners, presently almost 60, is a strong message to the local community and to other P/U/L communities that it's ok to speak Irish, a message they have never heard before.

But why is a Methodist church in the heart of East Belfast interested in running Irish classes? Well apart from the fact that we are meeting a demand that is coming from within the local community, it is an effective means of bringing about reconciliation in a part of the city where the two communities are still finding it difficult to live in peace with each other and who despite being divided by high walls, continue to attack each other. And while our politicians persist in their playground name calling there is little hope that communities will be able to find a way forward. EBM believes that an interest in the Irish language has the potential to create greater understanding and reconciliation through shared interest. People coming together with a common goal is more effective than some attempts at reconciliation which can be contrived and artificial.

How will we know we have achieved our aims? Perhaps it will be when someone

Taobh istigh den MBFT tá iarracht ar bun leis an Ghaeilge a normalú. Gach Domhnach liostáiltear ranganna oíche comh maith le gníomhaíochtaí seachtainiúla eile na heaglaise ar nuachtlitir na heaglaise agus fógraítar imeachtaí Gaeilge ón phuilpid. Cé gur baineadh siar as roinnt bhaill den phobal, ag an tús, tá sé mar lárchuid de shaol na heaglaise agus tá roinnt daoine ag glacadh páirte sna ranganna agus iad tiománta go mór don teanga.

Mar gheall ar ranganna Gaeilge a bheith ar fáil sa MBFT tugtar deis do fhoghlaimoirí nua tabhairt faoin teanga taobh istigh dá bpobal féin roimh dhul go dtí imeachtaí Gaeilge i gceantair eile i mBéal Feirste. Is raiteas láidir, líon mór na bhfoghlaimoirí atá againne, timpeall is 60, don phobal áitiúil agus do phobail PAD eile go bhfuil sé ceart go leor an Ghaeilge a labhairt; teachtaireacht ná chualathas riamh roimhe.

Cad chuige a bhfuil suim ag eaglais mhodhach i gcoirlár Oirthear Bhéal Feirste i reáchtáil ranganna Gaeilge? Diomaite de bheith ag freastal ar éileamh ón phobal áitiúil is slí éifeachtach é le hathmhuintearas a thabhairt isteach ar chuid den chathair nach bhfuil an dá phobal in ann maireachtáil lena chéile agus a bhíonn ag déanamh ionsaí ar a chéile fós d'ainneoin na mballaí arda a scarann óna chéile iad. Fhad is a leanann ár bpolaiteoirí ar aghaidh de bheith ag malartú maslaí is beag an dóchas go rachadh an dá phobal chun cinn. Is é barúil an MBFT gurb acmhainn chun tuisceana agus athmhuintearais an Ghaeilge lena comhfhoghlaim. Maidir leis an athmhuintearas, is éifeachtaí an teacht le chéile agus comhspríoc ag daoine ná iarrachtaí eile ar féidir leo a bheith bréagach seiftiúil.

Cá bhfios gur baineadh ár gcuid spriocanna amach? B'fhéidir nuair a labhraíonn duine Gaeilge nach nglacfar leis

speaking Irish isn't automatically stereotyped as being Roman Catholic or Nationalist or Republican or when a bilingual street sign doesn't provide an indication of the political or religious outlook of the residents; or better still when the Irish language belongs to all of the people and can play a role in uniting not dividing us.

gur poblachtánach nó náisiúnaí nó caitliceach é agus nuair nach insíonn sráidainmn dátheangach creideamh nó dearcadh polaitiúil na n-áitritheoirí nó níos fearr fós, nuair is leis an phobal ar fad an Ghaeilge agus nuair is féidir leis daoine a thabhairt le chéile in áit iad a scaradh óna chéile.

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