



## People's Movement patron elected

The People's Movement welcomes the election of one of our patrons, Thomas Pringle, to Dáil Éireann. In displacing the outgoing Tánaiste, Mary Coughlan, Thomas did us all a big favour; but there is a more important task, which he will take on with gusto: the repatriation of fisheries policy



from Brussels.

Thomas was a stalwart of the People's Movement's Lisbon campaign in Co. Donegal and most recently represented us at a meeting with the EU Commissioner for Maritime Affairs and Fisheries, Mariá Damanáki, in Brussels. Thomas has pledged to work with like-minded independents in a technical group. We wish him every success as a TD.

## Meeting notice

A public meeting on "The peace movement versus the EU and NATO" will take place on Thursday 24 March at 7:30 p.m. in the Pearse Centre (27 Pearse Street), Dublin, organised by the People's Movement, the CPI, and PANA. The speaker will be Iraklís Tsavdarídis, executive secretary of the World Peace Council.

## "I won't pay" movement spreads throughout Greece

They blockade motorway toll booths to give drivers free passage. They cover subway ticket machines with plastic bags so commuters can't pay. Even doctors are joining in, preventing

patients from paying fees at state hospitals.

Some call it civil disobedience, others a free-loading spirit. Either way, Greece's "I won't pay" movement has sparked heated debate in a country reeling from a debt crisis that's forced the government to take drastic austerity measures—including higher taxes, cuts in wages and pensions, and price increases in public services.

In one of their frequent occupations of the toll booths on the northern outskirts of Athens recently protesters wore brightly coloured jackets with "Total disobedience" emblazoned across their backs and chanted, "We won't pay for their crisis!"

Isn't it time we got our act together here?

## Debt by stealth!

Since the last week of January, Irish banks have issued €18.35 billion worth of Government-guaranteed debt.

This suggests that the banks may in effect be issuing sovereign paper with the approval of the Government, the Central Bank, and the European Central Bank. In other words, the banks have effectually increased Ireland's public debt by about 11½ per cent of GDP in the last few weeks. "What you have here is micro-quantitative easing, or money printing," said Cathal O'Leary of NCB Stockbrokers. "The banks are issuing unsecured loans to themselves."

As they are unlikely to be able to repay this debt any time soon, a future Government will have to. To appreciate just how extraordinary this is, €18.35 billion of Government-guaranteed debt is more than half the entire tax revenue for 2010 (€31 billion). And the leaders of the various political parties ignored it, trading banalities instead, while the media never asked the hard questions. No wonder we have so many conspiracy theorists!

## How brave is Mr Kenny?

The way things are going, by the end of next year the interest payment on our total debts—just the interest—might well be 85 per cent of the 2010 income tax take.

Income tax in 2010 was €14.125 billion, and with all the bank debt we are taking on, the interest payments by the end of 2012 will be €12 billion per annum. Our state will collapse under the pressure of these debt repayments; and before that happens there will be massive capital flight out of the country.

So, the only outcome of any negotiations that will save Ireland from sovereign default will be significantly reducing the bank debt figure, with the ECB and the creditors taking up the slack.

We must rid ourselves of the €22 billion of unguaranteed debt now!

But then there is the €22 billion of secured debt in the banks and the €34 billion of the now Government-guaranteed bank debt. As we have said so many times, we simply can't pay it all.

At the end of 2010 the net national debt stood at €93.4 billion, which cost us €4.8 billion in interest. We then had the EU-IMF forced loan of €62.6 billion at an interest rate of 5.8 per cent, which is €3.625 billion per annum. This equals €8.6 billion in interest payments alone.

Then there are the bank debts. The losses at Anglo-Irish and Nationwide amount to €31 billion. This is money we have to pay out, even though these rotten banks will be wound down. €10.3 billion of this is due to be paid by the end of 2013, adding another half billion to annual interest charges; we will be borrowing to pay them back. Add to that the unguaranteed bank debt of €22 billion and Government-guaranteed debt of €38.4 billion and you are pulling another €3 billion in interest payments out of the economy.

This means a total in interest payments alone by the end of next year of €12.12 billion. This is more than 85 per cent of our total income tax take. We simply can't afford this. We simply have to default, and it's about time that Fine Gael told people the truth and stopped waffling about interest rates.

So is Kenny now—having given on the night of the count the impression that we require a *quid pro quo* for our acceptance of the Lisbon Treaty—brave enough to tell his buddy Angela that if they persist in forcing us to pay we will default, and the euro will be shaken by contagion and perhaps even collapse, in the process destroying Germany's economic advantage?



Of course, we should hold a referendum on the bank debts now—and there can be little doubt regarding the outcome. So if the new Government wants to pack some punch it will call

a referendum as quickly as possible. If Kenny understands the rudiments of negotiation, he and the Government will welcome the result, and we will all be a little better off in the long run. But then, Fine Gael promised jobs if we voted for Lisbon!

## And this is just what we know about!



Corrib has a trillion cubic feet of gas. Its monetary value will of course depend on global gas prices over the next decade but on any sober estimate, Corrib will generate

vast profits for the Shell-led consortium that controls it.

The cost of developing the field will probably have reached €2 billion to €2.5 billion before the gas begins to flow. Production costs will probably account for another €1 billion, making for a total outlay of €3 to €3.5 billion. Yet the lowest estimate I can find for the value of the gas is €9.5 billion. Industry estimates value it at about €13 billion.

That leaves a profit of somewhere between €6 billion and €10 billion—on a resource that belongs to the Irish people.

—Fintan O'Toole in the *Irish Times*.

Any chance our new Government might take an initiative—after all, the leader is from Co. Mayo!

## The euro as a political project!

More than two hundred German economics professors have signed a petition calling for the plan to extend the current bail-out fund and to establish a permanent bail-out mechanism to be scrapped. The group warned that there could be “fatal long-term consequences for the whole project of European integration.”

Meanwhile the president of the German Banking Federation, Andreas Schmitz, is quoted as saying that “restructuring in Greece would not topple the German banking sector nor an individual bank.” He also argues that the labelling of critics of the current policy as “anti-European” shows that those advocating EU economic governance are really looking for closer European integration. Isn't he perceptive?

And the President of Germany, Christian Wulff, has called for the permanent bail-out mechanism to “prohibit the repurchase of government debt by the ECB.” He also argued that

private creditors should take more liability for unpaid debts.

## EU arms used by Gaddafi to massacre protesters

The latest EU figures show that only two years ago EU countries granted more than €160 million worth of export licences to Libya for small arms and electronic jamming equipment. The Union's latest report on arms exports, covering 2009, says that EU countries granted Libya €343.7 million worth of licences two years before the massacre. Figures for actual shipments are incomplete.



In 2009 Malta granted licences and delivered €79.7 million worth of small arms to the regime. Belgium granted €18 million of licences and Bulgaria €3.7 million. On electronic jamming, Germany led with €43.2 million of permits. Britain granted €20.7 million worth and Italy €1 million. The Libyan government is jamming mobile phone, internet and GPS services with this equipment.

The Libyan air force has bombed opposition activists, yet Italy granted €107.7 million of licences for military aircraft, including assault craft, and associated equipment. France granted €17.5 million worth and Portugal €14.5 million. Portugal also granted €4.6 million worth of permits for drones. Other licences include €4.4 million of Belgian permits for anti-personnel chemicals used to quell riots.

The United Nations lifted its arms embargo in 2003, and senior British, French and Italian officials have been jetting in and out of Tripoli with arms and oil industry executives.

"If what we are witnessing is a true revolution in Libya," Robert Fisk wrote in the *Independent* (London) last week, "then we shall soon be able—unless the Western embassy flunkies get there first for a spot of serious, desperate looting—to rifle through the Tripoli files . . . and reveal some secrets which . . . [our governments] would rather we didn't know about."

## Greek commissioner breaks ranks

### What chance Geoghegan-Quinn following?



The Greek EU commissioner has mounted an attack on the austerity policies demanded by her own institution in a remarkable break with the

dominant consensus both within the EU executive and its governments. Is there any chance then that the Irish commissioner, Máire Geoghegan-Quinn, would speak up on our behalf?

María Damanáki, Commissioner for Maritime Affairs and Fisheries, distanced herself from European Commission policies that she says could lead to "social degradation," and she called for an "alternative economic policy agenda."

In a prepared speech to a conference on EU austerity policies at the European Trade Union Congress in Brussels last week she said: "We have been too shy with the growth and job part of our resolve. While no-one could deny the need for fiscal consolidation, one could have aimed at a better balance between austerity and growth."

Damanáki, a member of Greece's centre-left PASOK party, which is imposing a regime of austerity drafted by the troika of the Commission, IMF, and ECB, is the first commissioner to go public with such disagreements, saying that there is an alternative, and that she has fought against the logic of austerity within commission discussions. "Too much emphasis is placed on the debt problem. Consolidation [the jargon for balancing budgets] is not a sufficient answer if it's not coupled with economic growth. And it is a distorting answer if it leads to social degradation. Is fiscal consolidation the right and only path to go for all countries? No, it is not."

A prominent trade unionist said: "Since the economic crisis, we've basically been excluded from the Commission. Normally we go there and there are no negotiations at all. We just get laughed at, so it was excellent to hear a different vision by an EU commissioner."

Damanáki said that the Commission had to give up its view of workers' protections as problematic. "We have to stop addressing the labour issues negatively, as a burden to recovery."

She said that Brussels is not considering the need to stimulate growth and create jobs and is

only focusing on cutting public spending.

“Economic growth, investment and employment in Europe could have been taken on a par with the expenditure control logic, which is being used as the only privileged tool for the consolidation of the European economies.”

“Is it only a debt crisis? The answer is ‘No’ . . . Too much emphasis is placed on the debt problem.”

## Portugal to seek a bail-out by April

Reuters reports that the EU has a bail-out plan for Portugal, with many officials expecting it to be needed before April. “Portugal is drowning,” the source said. “It’s not going to be able to hold on beyond the end of March. That’s already understood to be the case in financial markets, but now it’s also understood among finance ministers.”

## Irish exports are among the slowest-growing in EU

### Further doubt cast on recovery in a two-speed euro zone

Irish exports, long seen as one of the economy’s few hopes, are growing more slowly than those of any other country in Europe, except Luxembourg, new figures have shown.

The value of exports from Ireland rose by only 5 per cent in the first eleven months of last year, according to the EU’s statistics office, Eurostat,

Sampled countries in the "Slow lane" (non-euro)	GDP growth, Q3 (% change compared with the same quarter of the previous year)
Denmark	3.4
Poland	4.7
Sweden	6.8
Average growth in the "slow lane" (10 countries excl. Estonia)	2.3
Sampled countries in the "Fast lane" (euro)	
Greece	-4.6
Spain	0.2
Italy	1.1
Average growth in the "fast lane" (16 countries excl. Estonia)	1.7

though the figures did not distinguish between indigenous manufactures and those originating in transnational companies based in Ireland.

Exports from Britain, Sweden, the Czech Republic, Poland, the Netherlands and several other countries all jumped by more than 20 per cent in the same period. So, while Ireland remains in the doldrums, most of Europe has come out of the recession and is busy manufacturing goods to sell to Asia and South America, where economies are booming.

Most of the parties in the election placed trade with emerging countries at the centre of their economic strategies but have presented only vague details about how best to help Irish companies sell their goods so far from home.

These Eurostat figures show the two-speed recovery taking place in the EU, with peripheral countries falling seriously behind. The value of Irish exports rose by only 5 per cent, while Greek exports were up 6 per cent. Denmark, another country struggling with high debts and a damaged banking industry—though it did allow its bad bank to fail, at no cost to the public purse—posted a 9 per cent increase, while every other country saw gains in the double digits.

*The figures given above, also abstracted from Eurostat, strongly suggest that membership of the euro zone does make a difference.*

## Lest we forget

Remember that Fine Gael also mistook the bubble for prosperity, also voted for the disastrous bank guarantee, and doesn’t seem to have any idea how to even “renegotiate” the terms of the IMF-EU bail-out in any meaningful way—exemplified by Enda Kenny’s poor attempts to answer questions on Fine Gael’s economic programme, the publication of which was deliberately delayed until late in the campaign.

The change of Government will not be a solution to Ireland’s problems. We have chosen to vent our anger at the polls rather than on the streets. But while we remain within the euro and bluster our way towards a sovereign default, the new Government will make little difference to our predicament.

## Big brother!

A Greek MEP and vice-president of the European Parliament, Stávros Lambrinídís, has called on the European Commission to clarify the purpose of the INDECT project, launched under the Euro-



pean Commission's research programme, which develops "observation" algorithms to enhance the "security of citizens in urban environments." Lambrinidis warned that the aim of the project is to obtain access to "all existing feeds in cameras, in the internet, in DNA data-bases, and even on personal computers." According to Lambrinidis, the cameras register not only crimes but also "abnormal behaviour" (as reported in a recent issue of *People's News*).

MEPs are mostly worried about the secrecy of INDECT, he explained. "The Commission is not submitting information, and INDECT is denying the release of potentially damaging information." He added that he is concerned about safeguarding the civil liberties of European citizens and the effect of such projects on fundamental rights. "There is a danger that researched technologies or collected information are used by public actors or third parties."

### Thousands of workers protesting against austerity measures in Athens teargassed



Thousands of workers, students and pensioners took to the streets of Athens, Thessaloniki and the port of Piraeus while a 24-hour general strike paralysed most public

services last week.

"People and their needs are above profits and numbers," the Greek public-sector union GSEE said, warning that austerity measures were "broadening recession, unemployment, poverty and degradation to the profit of industrialists and bankers." The protests are the first of their kind this year after the PASOK government was forced to call in a €110 billion EU-IMF bail-out last May.

"I am demonstrating because the government has to fix this mess that it has got into," one hairdresser said as she pulled the shutters down on her salon to avoid damage. "There are politicians who have robbed the country blind, yet no-one has been brought to justice," she said, in a response that could be elicited from most people in this country.

Government spending cuts and tax increases linked to the EU-IMF support package have proved highly contentious with many Greek citizens. Speaking at the protests, the chief spokesperson of GSEE, Státhis Anéstis, dubbed the government measures "harsh and unfair . . . We are facing long-term austerity, with high un-

employment destabilising our social structure. What is increasing is the level of anger and desperation . . . If these harsh policies continue, so will we."

### GM crops could be allowed into the European food chain for the first time

Before last week's vote, the EU operated a policy of completely forbidding unauthorised GM shipments, turning back at port any ships that did not meet approval. EU imports have now been granted an allowance of up 0.1 per cent of unauthorised seed by member-states, opening the way for shipments containing seeds that have been tested in third countries but not in the EU.

The Commissioner for Health and Consumer Policy, John Dalli, said that the move "addresses the current uncertainty EU operators face when placing on the market feed based on imports of raw materials from third countries."

The EU feed industry relies on imports for 80 per cent of its needs; but with Argentina, the United States and Brazil—widespread users of GM—being the largest suppliers, contamination will be almost impossible to avoid.

### Irish reporter attempts citizen's arrest of Israeli minister

David Cronin, who made headlines around the world last year for attempting to place the former British prime minister Tony Blair under citizen's arrest, has done it again, this time with the foreign minister of Israel, the hard-right Avigdor Lieberman.

Cronin called out to the minister as he entered the press room of the European Council, for a briefing following a meeting of the Council of the EU-Israel Association: "Mr Lieberman, this is a citizen's arrest. You are charged with the crime of apartheid. Please accompany me to the nearest police station." He was grabbed by a pair of security guards and shuffled out of the room. "Free Palestine!" he shouted as he was led away.

David Croinin is the author of *Europe's Alliance with Israel: Aiding the Occupation*, published by Pluto Press in 2010.

A spokesperson for the Israeli mission to the EU commented: "This was utterly uncivilised, in bad taste. But Israel, like the EU, is very supportive of free speech. It's just a shame that some people take advantage of that freedom sometimes." Unbelievable?



*Avigdor Lieberman meets Javier Solana, secretary-general of the European Council, who has described Israel as “a member of the European Union without being a member of its institutions.”*

## Brussels wants pensions pegged to life expectancy

The European Commission is working to convince member-states to adopt “automatic adjustments” in their pension legislation so that the retirement age is pegged to longevity. Three commissioners are actively involved in shaping EU policy on pensions, with the intention of encouraging reform and influencing decisions taken by member-states.

In their last meeting, on 9 February, they discussed “how the Commission can ensure that member states follow up on questions such as increasing the retirement age, linking it to life expectancy [and] reducing early retirement schemes.”

Having collected positions from relevant stakeholders for its Green Paper on pensions, the Commission’s next move will be to publish a White Paper in the third quarter of 2011, which will define more clearly the Commission’s objectives regarding pension reform.

The Commissioner for Employment, Social Affairs and Inclusion, László Andor, the Commissioner for the Internal Market and Services, Michel Barnier, and the Commissioner for Economic and Financial Affairs, Olli Rehn, are holding regular meetings to better define the Commission’s action in the field of pensions.

A summit meeting at the end of March is also likely to discuss the pension issue in relation to Franco-German proposals for a “Competitiveness Pact,” which considers “adapting pension systems to demographic developments.” The divisive nature of this issue has been confirmed by a resolution adopted by the European Parliament, which omitted references to automatic adjustments.

The original text, drafted by a Dutch MEP, Ria Oomen-Ruijten of the European People’s Party, had stated that the Parliament “observes that life expectancy is growing and calls on member states to consider linking the statutory retirement age to

life expectancy.” Despite support for this view by the influential EPP (which includes Fine Gael) and the liberal ALDE group, the sentence had to be deleted from the final text.

## Harmonisation of national political and electoral systems to further the “European Project”

*A letter from Kathy Sinnott*

I have just finished reading through the party manifestos of Labour, FF, FG, SF and Greens. I expected the usual promises, wishful thinking and waffle. After all this is election time! However these manifestos are quite different. They contain a complete transformation of Ireland’s political infrastructure and electoral system that further strips power from Irish citizens in favour of the Irish and EU political class.

Rather than being surprised at the proposals I was transported back in time to the Constitutional Affairs Committee in the European Parliament in Brussels where these very same changes were discussed, advanced and (despite my objection and the objections of the few members of the committee that valued democracy) were proposed as changes to be put in place across Europe to harmonise national political and electoral systems to further the “European Project.”

The 2011 Irish political party manifestos promise these same harmonizing changes dressed up as political and economic reforms designed to benefit us the Irish people in a time of recession.

The following are just some proposals found in the 2011 Irish political party manifestos paired with their EU rationale:

- fewer constituencies—easier to manage European political parties
- list system of voting—lists decouple the reps from the people and make them more beholden to the national party which are increasingly beholden to European political parties.
- younger voting age—research shows that voting patterns are largely set by first vote. Lower age ensures that first vote is cast while a young person is in secondary school where all students are subject to EU funded EU awareness (approval) programs. Voting will be a school project, complete with teacher guidance and peer pressure.
- fewer reps; now that the EU does most of the legislating, a full complement of national legislators are not needed.
- system of alternates—helps parties hold on to seats, they wanted a system in which good vote catchers (eg celebrities) are able to head multiple lists. They can then gain seats and pass them on to alternates who would be otherwise unelectable

- detached cabinet—cabinet members no longer serve in Oireachtas or can be taken from civil society (unelected)

- new or vastly altered constitutions—national constitutions represent major stumbling block to electoral and political harmonisation across Europe and need to be altered to make them EU compatible.

Another manifesto proposal is the creation of a petitions committee. I was vice president of the petitions committee in Brussels. Given the weak position of the citizen, I used the committee to do everything I could for the citizen. However I had no illusions of what a petitions committee is . . . it is a symptom of lack of democracy. In a true republic with working democracy, citizens don't need a com-

plaints forum because they have real power. They keep their reps on a short tether and their reps serve them. Citizens do this in many ways, most obvious is the ballot, but also through marches, lobbying, boycotts, organisations, etc. Citizens speak and reps have to listen . . . It is a sign of the extent of the shift in power when citizens must go hat in hand to a committee of reps to complain, so that they the reps can in turn complain to those who actually have power.

Petitions committees are better than nothing but should we, a once proud and powerful national electorate, be content with this?

I don't think so.

Kathy Sinnott is a former independent MEP for the Munster constituency.