

Social Partnership has failed. It simply has not delivered for the Irish Working Class. This pamphlet puts forward rational arguments against Partnership and poses an alternative strategy for socialists, trade unionists and community activists.

“Parting Company” is the first in a series of pamphlets to be produced by the Irish Socialist Network

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PARTING COMPANY



Ending social partnership

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INTRODUCTION

"We might, if we choose, make a point against our political historians by pointing out that prosperity such as they speak of is purely capitalistic prosperity-that is to say, prosperity gauged merely by the volume of wealth produced, and entirely ignoring the manner in which the wealth is distributed amongst the workers who produce it." James Connolly, Labour in Irish History

The so-called Social Partnership system has held sway in the Republic of Ireland since 1987, much to the benefit, we are told, of workers. This myth has endured, at least partly, due to a failure by many, in both the trade union movement and the community sector, to subject the process to critical analysis. A careful analysis from a socialist perspective exposes the truth at the core of the process; that it is about maximising profit and exploiting labour. Partnership simply has not and cannot deliver for workers. Far from delivering, this process has in fact created wider divisions than ever before in Irish society. The gap between rich and poor has become a yawning gulf. Our health and social services are in continual crisis. The quality of life has deteriorated while the cost of living has soared.

We attempt in this pamphlet to outline the true nature of Partnership and its impact on both the trade union movement and community sector. We also advance practical proposals on how a new opposition to Partnership might be built. We assert unashamedly that there can be no partnership between capital and labour, the exploiters and the exploited, the powerful and the marginalised. It is now time for socialists, trade unionists and community activists to create the only partnership that matters, a partnership of the mass of ordinary people engaged in the struggle to bring about a socialist transformation of society.

Corporatism

Establishment politicians from Labour to the Progressive Democrat's often infer that Social Partnership is a uniquely Irish concept when in fact corporatist arrangements have been a valuable instrument in class rule in many western European countries since the Second World War. Of course it would be a gross oversimplification to equate a system such as that which developed in Sweden or post war Britain with that which developed in Ireland since the 1980s, but the basic purpose remained the same: to maintain the hegemony of the capitalist class, while effectively neutralising working class militancy by co-opting the leadership of organised labour, with state structures playing a crucial role in facilitating this process. This strategy is particularly effective during periods of crisis, as occurred in Ireland during the 1980s, but even during boom periods the corporatist arrangements ensure an increased rate of profit. Upswings in the capitalist economy also allow the ruling class to stifle militancy and divide the working class by offering real concessions to certain sectors of that class, as epitomised by the manner in which certain upper sections of the working class benefited, at least temporarily from tax cuts, which were skewed towards the higher paid. The development of corporatist structures can and clearly did in an Irish context, stabilise the socio-economic system and partially suppress class conflict but it cannot do so on a permanent basis. These structures, to a certain extent, contain the seeds of their own destruction. The structures often highlight the marginalisation of large sections of the population, increasingly being exposed as a cosy club of big business, politicians and trade union bosses engaged in back room deals. This may lead to the growth in support for anti-systemic (though not necessarily radical socialist) parties or outright disillusion with the whole parliamentary/electoralist system leading to a rapid fall in electoral participation in working class areas, both of which happened in the last general election. To counter these trends attempts are often made, by the elite, to co-opt those who have been marginalised, even if their role in the process is largely a token one. This would appear to be the logic behind the inclusion of the community and voluntary sector in the Partnership structures in Ireland.

Background to Partnership

In 1987 a Fianna Fail minority Government lead by Charles Haughey concluded a Partnership agreement with the trade unions, the employers and farmer representative groups. The agreement was given the name the Programme for National Recovery (PNR). It was unique in two respects. In the first instance, it surpassed previous national wage agreements and National Understandings of the 1970s and early 80s going beyond purely industrial relations matters to include social and economic objectives. Secondly, it countered trends in Britain and Europe where corporatism was being abandoned in response to the crisis in the Keynesian model of managed capitalism advocated by the traditional social democratic parties. The PNR was to be the first of five Social Partnership agreements followed by the Programme for Economic and Social Progress (PESP), the Programme for Competitiveness and Work (PCW), Partnership 2000 and Partnership for Prosperity and Fairness (PPF).

Why did Haughey's Fianna Fail party embrace corporatism at this juncture? One year earlier the Fine Gael/Labour coalition had rejected calls from John Carroll, President of ITGWU and Bill Attley, leader of the FWUI for a return to national understandings. Continuity in office was certainly a major factor in Fianna Fail thinking and behind that the great fear of increased social unrest in business circles. A divided political right dependent on the support of a number of small leftwing parties and deputies, which characterised the political scene of the early 1980s, had proved incapable of delivering the deep cuts which the capitalist economy demanded and this instability frightened the Irish ruling class. Launching wide range cut backs in health, education and other essential services posed political dangers for a populist conservative party such as Fianna Fail. In an effort to minimise the political damage to its urban working class base and to ensure cutbacks did not create the basis for the emergence of a socialist alternative, while at the same time safeguarding the interests of the party's real masters, the industrial wing of labour was brought onside. Maintaining Fianna Fail hegemony, and therefore that of the sections of the bourgeoisie that the party represented, was central to its opting for corporatism over confrontation. Fianna Fail's inspired Partnership would be demanding of labour, expecting the trade union leadership to deliver not just adherence to wage restraint but also industrial peace in the face of massive cut backs in essential services. Fianna Fail had good reason for believing the trade union leadership would be co-operative. The political and economic climate had changed since the last time it was in Government. Industrial militancy, which had peaked in 1979, had receded as the recession of the 1980s deepened. Mass unemployment and emigration lessened the ability of organised labour to resist. Trade union membership dropped from 528,000 to 440,890 between 1980 and 1988 and the proportion of unionised workers in the workforce declined from 53.3 to 42.4 per cent. As strikes decreased so employers boasted a new willingness on the part of employees to accept greater flexibility in the workplace. In the public sector, pay freezes had become commonplace. Shunned by Government and employers the trade union leadership felt isolated and vulnerable. When the carrot of Social Partnership was put before the donkey leadership of the trade union movement, they jumped at it. Looking with trepidation at events in Britain, where the unions were reeling under the weight of anti-union legislation, the leaders assured its membership that Partnership would give it access to corridors of power. The trade union leadership claimed it would now have a say, not just in industrial relations and wage policy, but also in wider social issues. Partnership would deliver greater social equality, more jobs, increases in the standard of living

for the low paid/social welfare recipients and greater tax equity. It would stop privatisation of public assets and prevent anti-union legislation. This rhetoric also served to mask the class interests of those same bureaucrats, who had a real material interest in suppressing class struggle and thereby safeguarding their own lifestyle. In particular Partnership would drastically reduce every union bureaucrat's primary head ache; strikes. Influence at the top, peace and quiet at the bottom would be the order of the day!

Partnership and Class

In 1996 the voluntary and community sector were included as one of the social partners. The community sector's inclusion has resulted in their institutionalisation into the structures of Partnership at the expense of local activities. Fifteen years after its commencement the Partnership system has now incorporated the leading organisations of all classes in Irish society. Groups aligned to classes or parts of classes whose interests are in essence diametrically opposed coalesce within these structures. Irish Business and Employers Confederation (IBEC) leaders and trade union leaders are supposedly social partners yet the business leader's organisations *raison d'être* is the pursuit of profit, directly contrary to the interests of the working class. Indeed maximising profit means extracting as much from its workforce for as little monetary consideration in return. The same IBEC makes almost daily calls for more flexibility in the labour market, a euphemism for greater productivity lower wages and a general deterioration in workers conditions of employment. IBEC ideologues in private consider trade unions to be a distortion of the labour market with labour combinations forcing up the price of labour. Trade unions on the other hand are supposed to represent workers whose only resource is their labour. For it to genuinely represent its member's interests, the trade union leadership would have to actively oppose almost all IBEC initiatives at Partnership level, which would logically collapse the process. The trade unions and even more so the community sector represents the least powerful forces at the Partnership negotiating table. Ranged against them are the employer and farmer blocs and the Government all of which have a commonality of interest representing as they do capital and landed interests. The Government, far from being a neutral player, is an ideological partner of IBEC and the Irish Farming Association (IFA). The two main conservative parties are composed of people from the business and professional classes and represent the propertied class in general. The left shares some responsibility for its collective failure to undermine the class hegemony of the political right, which Partnership represents. The Italian Marxist Antonio Gramsci's concept of hegemony is extremely apt in this regard. Gramsci asserts a hegemonic class is one, which gains the consent of other classes and rules through creating and maintaining a system of alliances by means of political and ideological struggle. The notion of building up a system of alliances is central to his concept of hegemony. In the struggle for hegemony each side strives to strengthen its own pattern of alliances, to disorganise the alliances of the other and to shift the balance of forces in its favour. Partnerships corporatist arrangements have strengthened the hegemony of the bourgeoisie by bringing organised labour and the community sector into institutional arrangements (essentially on its terms), which negate these groups independence thereby weakening immensely the struggle to build a strong and independent working class movement. Furthermore this subordination also takes on an ideological form, in that trade unions are accepting the political and economic status quo by agreeing that progress can only be made within the framework of a free market economy. Organised labour has, therefore, ceased to be a source of opposition to the prevailing ideology.

Has Partnership Delivered for Workers?

The trade union hierarchy argues that union participation in Social Partnership is good for working class people in Ireland. They argue that their involvement in Partnership allows them to have an input into Government policies with regard to taxation, health, education, social welfare and so on. However, Social Partnership has been an effective mechanism for increasing the rate of exploitation, with the benefits going to the owners of capital the rich and the multinationals. Evidence relating to profits vs. wages, wage dispersion, tax reform and anti-union legislation all clearly show this. Social Partnership has also led to the neutering of the trade union movement, with membership of trade unions in the private sector at an historic low.

Over the period of Social Partnership profits have increased much more rapidly than wages. The rate of return on capital has doubled since 1987, with the profit share of national income rising from 25.1 per cent in 1987 to 34.8 per cent by 1996 and a corresponding decline in the wage share from 74.9 per cent to 65.2 per cent. By 1998 the profits share of national income had risen to 38 per cent. This is even more remarkable given that the number of people in work has risen since 1987. Internationally, Ireland experienced the largest increase in profit share among European Union (EU) members, Japan and the United States (Conlon, 2002). Clearly this shows a radical shift away from labour towards capital over the period.

This boost to profits is underwritten by massive increases in productivity. During the 1990s output per head almost doubled, while at the same time between 1985 and 1999 unit labour costs fell by about 20 per cent (Conlon 2002). While standing by this huge increase in profit at the expense of workers, the trade union leadership have been totally compliant in urging the need for "flexibility" and "adaptability" in the workplace with the promise of a greater say for workers in their work. However *"far from Partnership giving greater power to workers, the period since the 1980s has seen a worsening in the quality of work life, as many workers are expected to undertake increased workloads and experience intensification in the pace of work, without any real increase in their influence over day to day activities"* (Gunnigle, 1999).

What about the wage increases received under Social Partnership? The trade union leaders argue that these, along with the tax cuts, have meant more money in their members' pockets. But even these increases have led to a widening of the gap between lower-paid and higher-paid workers. Almost all increases under the Social Partnership agreements have been percentage increases. But percentage increases mean low paid workers get a smaller real increase than high-paid workers. And the gap between their wages gets bigger. Cumulatively, over the 15 years of Social Partnership agreements, this has meant huge increases in that gap between lower and higher paid workers. Add to that the ultimate insult of the Benchmarking process for public sector workers. Not only does Benchmarking recommend percentage increases, it recommends higher percentage increases for the higher paid. It is also necessary to keep in mind that we must continually study wages only in the context of the rapid fall in the quality of life and rising consumer prices, which affect all sectors of the working class.

During the late 70s and early 80s the trade union movement argued for real tax reform. Working class people wanted a fair tax system, not one that hammered the PAYE worker and allowed companies, self-employed "professionals" and the rich in general to avoid and evade paying their fair share. This has not happened, instead the top rate of tax has been cut, and Corporation

tax is the lowest in the EU while at the same time workers on the minimum wage are forced to pay tax. The richest in Irish society, unsurprisingly, totally evaded their legal responsibility with regard to taxation. Instead they chose to siphon the money they have robbed from workers to far away bank accounts and seem to have done so without sanction.

Privatisation of public utilities has been another feature of the Irish economy under Social Partnership. Public utilities such as the telecommunication system, electricity, water supplies have been or are due to be privatised. These utilities have been built over decades using public money using the wealth of the people created by the people. They belong to the people. Who benefits from their privatisation? The capitalists buy these utilities for a fraction of what the Irish people have paid to build them up over the years. They then turn a profit on services, which should be provided for the benefit of all of the people not to make profits for the few. Yet the trade union leadership, instead of fighting for the reform of public companies to ensure democratic control by workers and consumers, have largely consented to this scandalous robbery.

Many new jobs have been created in the Irish economy in the last 15 years. The Irish Congress of Trade Unions (ICTU) credits Social Partnership for this. But one of the main reasons that so many new jobs have been created is that tax on profits for multi-national corporations is lower in Ireland than in any other country in the EU. They have set up here because they can make bigger profits here. Most of the people working in these new jobs are not members of trade unions because the multinational companies they work for have aggressive anti-union employment policies. Yet ICTU bureaucrats seem oblivious. So when these multinationals decide to re-locate to somewhere where they can make even bigger profits on the basis of cheaper labour, there will be no trade unions to defend the workers they leave behind.

Industrial Relations

Fifteen years of Social Partnership has seen the introduction of the most anti-Union legislation since the foundation of the state the Industrial Relations Act, 1990 and the Amendment Act, 2001. It is interesting to note that the supposed political wing of the Union movement, the Labour Party and their allies in Democratic Left, made no attempt to repeal the 1990 act. This is despite the fact that two DL ministers, Eamon Gilmore and Pat Rabbitte, had written a detailed pamphlet opposing it while in ranks of the opposition. The Industrial Relations Act 1990 replaced the 1906 Trade Disputes Act. These two pieces of legislation have severely curtailed the ability of the rank and file Union members to carry out their activity in relation to disputes and their right to be represented by a trade union. The Industrial Relations Act, 1990 is divided into 3 parts covering:

- Trade Disputes - including secondary picketing and changes relating to when and how Union members can carry out strike action and picket duty during disputes.
- Secret Ballots - Unions must give employers 7 days notice before any strike action can take place (compare this to the action of Aer Lingus management during the lock-out of the pilots, when management gave Union members no notification of their action to lock out the pilots during the recent dispute).
- Trade union rationalisation - the legislation encourages the merger of Unions by offering financial incentives to merge. However unions now must apply for a negotiations licence. In order to do this they must have a membership of 1,000 and a minimum deposit of €25,400 is required by the High Court.

The most controversial aspect of the Act is in the area of trade disputes and what actually constitutes a trade dispute. Most notably, two cases taken by employers to test these aspects led to one union being taken to the Supreme Court during a dispute over trade union recognition. If the union had lost the case on appeal it faced costs in 1998 of over £2m. Finally, it is important to remember that no Union can take strike action over the pay elements of the current agreement.

The second piece of legislation, the Amendment Act, 2001 attacked the most basic right of workers to be represented by a trade union in the workplace. This was introduced at the time of the conclusion of negotiations on Partnership 2000. *"The goal of Partnership 2000 sought to deepen the relationship within the workplace to create a more modern public service and to reduce social inequality. The ink was hardly dry on the agreement when the Ryanair dispute at Dublin airport elevated the case of Trade Union recognition to the fore"* (Croke, 2002:7).

The dispute at Ryanair originally began as a result of grievances on behalf of baggage handlers regarding pay and conditions and the right to be represented by a trade union, in this case SIPTU. Their employers Ryanair had effectively locked out the baggage handlers. Ryanair's management decided to take on the trade union movement, bringing in scab labour to carry out the work of the baggage handlers. It refused to avail of the industrial relations mechanisms to resolve the dispute. Yet this union busting outfit is hailed as one of the success stories of the Celtic Tiger. For an example of this see Fiona O'Malley's interview in the Sunday Business Post of August 11 2002 where she defended Ryanair's way of dealing with workers. (Fiona O'Malley is a TD for the Progressive Democrats, a party supposedly committed to Social Partnership)

The Ryanair dispute provided the trade union hierarchy with the opportunity to test the sincerity of the employers and the Government's commitment to the alleged concept of Partnership. The trade union hierarchy failed miserably. The Government set up a 'high level group' comprising members of IBEC, the Investment and Development Agency (IDA) and ICTU to come up with proposals on how to resolve the issue of trade union recognition. IBEC and the IDA made it quite clear that they were opposed to mandatory recognition on two grounds:

1. It would go against the spirit of Partnership as the process is based on voluntary free collective bargaining (a laughable position when one considers the legal obligations placed on Trade Unions in the Industrial Relations Act, 1990).
2. The IDA argued that mandatory recognition would scare future multinational investment away.

There is no doubt that the trade union hierarchy allowed themselves to be treated as subordinates throughout the consultation process in this high level group, when clearly the rank and file solidarity action shown by the airport workers demonstrated that their demand for trade union recognition was compelling and uncompromising. This issue goes to the very core of the real meaning of Social Partnership in Ireland. Clearly, under Social Partnership, the union hierarchy have allowed workers fundamental rights to be eroded in exchange for the ability to gain more and more control of the rank and file members, while at the same time continuing to watch the decline of union membership.

It is time that the grass roots of the trade union movement regained control of their organisations fought to reject Social Partnership and to oust the bureaucrats who seem more interested in rubbing shoulders with employers and ministers than listening to their own members. The Irish Socialist Network believes it is time for the left to unite in calling for a realistic appraisal of the failure of Social Partnership to deliver for the working class people of Ireland. We need a broad campaign within the trade union movement to reject any future participation in Partnership and to turn the trade unions into an effective weapon in the struggle for socialism in Ireland. The first step in such a campaign would be the setting up of a genuinely representative rank and file movement bringing together all progressive groupings and individuals in a sustained bid to challenge the dominance of the conservative bureaucracy.

Partnership and Social Change

The share of capital relative to the share of labour has risen. The division of social wealth between capital and labour has become still more unequal.....The material position of the worker has improved, but at the cost of his social position. The social gulf that divides him from the capitalist has widened. Karl Marx

How has Partnership affected the social situation of working class people in Irish society over the last 15 years?

The success of the Irish economy is often described in terms of GNP or GDP. These measures do not show how this growth in income is distributed among the population. In terms of *income distribution* Ireland is one of the most unequal countries in the EU and OECD and these inequalities have been worsening over the period of Partnership. Analysis of shares of income and other inequality measures show the same thing - in the mid 1990s the bottom 10 per cent of households had approximately 4 per cent of total income whereas the top 10 per cent had about 25 per cent. While this situation was bad enough, between 1994 and 1998 there was a further redistribution of income away from the poorest towards the top.

A major factor behind the rise in inequality over the period of Partnership is the fact that the gap between the rich and the poor has become wider.

- In 1987 6.2% of households were below the 40% of average disposable income (the 40% relative income poverty line). In 2000 this had increased to almost 12%.
- In 1987 16.3% of households were below 50% of average income, by 2000 this had increased to 26%.
- In 2000 33% of households were below 60% of the average income.

The tax treatment of wealth has also changed substantially over the period of Partnership. There have been substantial reductions (more than 50% in some cases) in Capital Gains Tax, Capital Acquisition Tax, combined with the abolition of Property Tax. There has also been a substantial increase in the number of discretionary tax expenditures and reliefs, most of which are still available at the higher rate. Nor should the scandalous tax amnesty granted by the Fianna Fail/Labour Government to wealthy tax cheats be forgotten.

These widening inequalities in Irish society are neither accidental nor surprising. They are the result of policies adopted by Government in the areas of taxation, social welfare and wages to facilitate the interests of business/capital and legitimated by all those participating in Social Partnership. In fact one of the achievements of Social Partnership has been to create an acceptance of the absolute need to maintain competitiveness and growth. *"Progress has become synonymous with economic progress, discussion dominated by economic indicators. This ideology of market liberalism and rising tide will lift all boats mentality has permeated political thought and economic organisation with the inevitable resulting in growing inequality"* (Murphy 2001).

Despite fifteen years of Partnership we still have a two-tier health system where the rich can pay for and get better and quicker service. Ordinary working class people and the poor wait in ever-increasing waiting lists to receive treatment. The first actions of the new Government show the

true nature of Partnership and the contempt with which they view working class people. Firstly there was the announcement of increases in the threshold for the drug refund scheme, which will most directly affect those on low incomes. This was followed by the sanctioning by Government of an 18% price hike in private insurance, very often paid by those on low incomes who are trying to get a slightly better level of service.

The education system, which is supposed to offer equal opportunities for all, remains totally biased in favour of the haves as against the have-nots. In Irish society education is one the key determinants of being employed or unemployed, level of wages, where you live and your whole standard of living. Class background continues to be one of the most important influences on educational experience and outcome, despite the fact that it is supposedly based on meritocratic principles. In terms of numbers completing the leaving certificate, those from 'Professional Groups' are much more likely to complete their Leaving Cert than those from the Unskilled Manual Group. In terms of results achieved at leaving cert level, the same pattern exists - the higher the school leaver's socio-economic class the higher the level of attainment. At third level the pattern repeats itself with the 'Higher Professional Group' taking twice the number of places in third level than its proportion in the population would warrant. This is despite the fact that education has been a focus of a number of Partnership agreements. Nothing has happened to fundamentally change the inequalities within the system. This is understandable in that fundamental changes in the outcome of the education system would require fundamental change in the redistribution of wealth and power in society, since the education system is a key element in reproducing the existing class structure. This cannot happen within Partnership, which exists to defend, consolidate and reproduce the power and influence of the capitalist class.

The economic boom has led to a huge increase in demand for housing, causing a massive increase in house prices and rents and, in turn, increasing demand for social housing. This is a policy area, which is of equal importance to both the trade union movement in terms of its member's standard of living and wage levels, and for the Community and Voluntary Pillar in terms of social rights and equality. How has Social Partnership responded to these needs?

- Over the five-year period 1995 to 2000 Local Authority housing completions actually decreased. This was at a time when the population was growing and the number of persons unable to afford their own homes was increasing. The impact of this is clear in the local authority waiting lists, which have increased over the same period.
- At the same time the number of homeless persons has risen from 2,667 in 1993 to 5,234 in 1999. This does not take into account young families and single people living with parents because they cannot afford to buy or rent their own home.
- In terms of new house prices the ratio of average house price to the average industrial earnings has increased from 4.33 in 1990 to 5.29 in 1997 to 7.40 in 2000. The corresponding figures for the Dublin area are 5.34, 6.32 and 9.70.

At the same time the 9% tax, which was imposed on speculators, was removed and landowners, assisted by their friends in central and local government, continue to be allowed to sit on land and drip feed it into the planning system allowing them to make huge profits.

Overall then during this period of Social Partnership finding secure accommodation of good quality has fallen out of reach of even those in employment and on average wages, while the

standard of living of those with mortgages or rents to pay is being eroded. This has led, in the eastern area, to those who cannot afford to live in Dublin moving to areas such as - Meath Kildare, Louth and Wicklow - often to large scale developments, with inadequate infrastructures and services to cope. This results in the isolation of these families, long distance commuting by car, increased congestion, more time travelling and poorer quality of life. It has also had a negative social impact on existing rural communities.

One of the changes brought about by the economic growth of the 1990s has been an increase in immigration. Despite lip service from all the Social Partners in favour of a humane and fair immigration policy the Government refuses to act. In effect, the admission of immigrants has been largely market-led, with the employers deciding who and how many people are required. Because work permits are granted to the employer rather than the employee, people end up locked to particular employees. This is a system, which facilitates the exploitation of these employees in terms of pay and conditions and prevents them from seeking Union representation. The situation is even worse for those who are working here illegally and being exploited by employers looking for the cheapest labour. The Social Partners have not only failed to deal with these issues, but have stood alongside a Government whose members comments regarding immigrants have often been racist, whose inaction has fuelled racism and discrimination and whose enforcement of 'Operation Hyphen' clearly shows the approach it is adopting to this issue. Immigrant workers must now endure the dangerous populist rabble rousing of Fianna Fail and the Progressive Democrats, on top of being grievously exploited by their employers.

While the Community and Voluntary Pillar may have attempted to make the social agenda more visible within Social Partnership, they have not been able to deliver. This is a direct consequence of the power inequalities between the different 'partners' and the fundamental reasons behind the establishment of this corporatist system. "*While Social Partnership can at time moderate inequalities, the most powerful interests within Social Partnership will never choose to radically alter income distribution outcomes*" (Murphy 2001). The involvement of the Community and Voluntary sector in Social Partnership has imposed time and opportunity costs on those involved. It has also largely silenced serious dissent and curtailed debate amongst those who work most closely with those at the margins of society. The sectors involvement has not, as the evidence shows, led to any decrease in inequality. Instead it has largely silenced the sector while at the same time giving a veneer of consultation and consensus to the whole process. The cooption of Community activists at a local level has diverted their energies from empowering activism to constant entanglement in the local Partnership structures, effectively neutralising them. At the same time, as with union leaders, a section of the leadership of the larger community and voluntary organisations have a material interest in the continuation of the Partnership process, as it guarantees their jobs, while strengthening their power within their own organisations.

It is time for those working in the community and voluntary sector to stand back from the Partnership process, honestly analyse the outcome of their participation and withdraw from a process, which clearly is not working in the long-term interests of the communities, and groups they are representing. The development of a network of community activists and organisations opposed to Social Partnership and committed to a radical equality agenda would be a first step in that direction.

Conclusion

"It is war, war to the end, against all the unholy crew who, with the cant of democracy upon their lying lips, are forever crucifying the Christ of labour between the two thieves of Land and Capital." James Connolly, Irish Worker, 1st November 1913

In this pamphlet we have shown that whatever the perceived advantages of Partnership, the negatives far outweigh them. The continued involvement of the trade union movement and the community and voluntary sector has effectively meant participation in the running down of public services and the widening of inequality in Irish society. The only redistribution which has taken place, as a result of Social Partnership, has been in favour of the rich and powerful and has been dictated by the interests of business and capital, with the working class and those excluded from Irish society being the ones to pay.

The trade union leadership claim, that through Partnership, they influenced Government policy and helped create the Celtic Tiger. If it were true their influence in creating the Celtic Tiger has been at the expense of abandoning what the movement supposedly stood for. They have embraced wage restraint, wage cuts in the public service, u-turned on their opposition to privatisation and offer full support for the EU with its neoliberal agenda (with little or no endorsement from their members). The issues such as union recognition been conveniently ignored or have only had lip service paid to them. They have failed the low paid and social welfare recipients by being a party to increased inequality. Throughout the time of Partnership it would seem that it is Government that influences trade union policy and not the other way around.

The entry of the community and voluntary sector to Social Partnership was supposed to provide a voice and improve the standard of living for those most vulnerable in society but the opposite has happened. The gap between rich and poor has widened, relative income poverty has increased and social welfare rates have not kept pace with wages. At the same time public services have deteriorated, as the proportion of Government spending in areas such as health, education and housing has consistently fallen. All of this affects those with the lowest incomes first, as those with adequate resources can turn to the private sector, for which the Government provides tax reliefs. Added to these is the rising threat of racism which is being fanned by Government actions and inactions and which the Social Partners seem incapable or unwilling to act on and all this during the golden era of Social Partnership.

We have shown how there are many myths about Partnership. Despite trade union or community and voluntary participation, at the core of the whole process is what capitalism can afford, without jeopardising its position, rather than the emphasis being on the interests of workers and those outside the workforce irrespective of capitalist profitability. If we are constantly told that there is no alternative to Partnership does this mean that we are to put up with wage restraint when it doesn't apply to management or indeed politicians? Does it mean that whenever there is an economic crisis that workers and the poor, who have already had to shoulder the burden of austerity, will have to do so again without protesting because they are "partners"? Does it mean that we should support increased diminution of union power due to the fact that ICTU cannot bring itself to argue that union recognition should be a right? Does it mean

that we should not speak out against privatisation because ICTU has no problem with it? Does it mean that we should not be consulted on the role that the trade union movement should take with respect to the EU and its neoliberal agenda? The Irish Socialist Network believes otherwise.

An Alternative

"It is our duty to put our ideas, policies, and beliefs under the microscope and re-examine what we stand for and see if we are doing things the correct way". James Connolly

Before putting forward an alternative to the current quisling approach of the trade union bureaucracy and sections of the leadership of the community and voluntary sector it is important to take a look at the world within which we live. The approach of social democrats that dominate both sectors is not a phenomenon unique to Ireland. The working class of the 'developed' world has been subject to a capitalist onslaught aimed at rolling back all the gains won through struggle the post-war period. This onslaught includes attacks on public services, the introduction of flexible working, attacks on welfare rights and job security, deregulation etc. This onslaught began in the late 70's coinciding with the end of the post-war boom. The material offensive was accompanied by an ideological offensive, which promoted the superiority of the market economy. The collapse of the Soviet Union supposedly pointed to the failure of socialism leading to the conclusion that capitalism was to remain unchallenged. It could be tinkered with but not challenged. The mantra of 'there is no alternative' became popular discourse.

At this juncture the traditional parties of the left might have been expected to stand up and organise workers to defend past gains. Instead they consistently applied the policies of capital. They turned out not only to be incapable of defending the working class but in most cases were the conduit for attacking it. Social democracy might have seemed like a genuine alternative to rampant capitalism after the war years but when the going got tough they showed that what they were really about were defending capitalism through bad times as well as the good. The politics of Blairism has in fact turned some of these organisations into fully fledged parties of capital, better equipped in the eyes of big business to protect their interests than the traditional conservative parties. In Ireland we saw in 1992 how the Labour Party betrayed the working class (in much the same way as ICTU did in 1987) who put their trust in them to create an alternative. They returned with a large mandate and quickly u-turned and went into coalition with Fianna Fail helping to implement policies favouring capital. They have paid dearly, electorally, for this betrayal since then.

In short, there has been a rightward movement in the past 25 years or so. It is time to stop that drift.

- Firstly there is a need for the building of a strong radical left. Obviously we are not having the impact that we would like. Nearly all of the radical left organisations are against Partnership yet our message is not getting through. The traditional parties of the social democratic left still garner votes from workers seeing them as a lesser evil to the right, despite their full assent to neo-liberalism. But electoral abstention amongst the working class has been steadily rising over the past few years. These people can be won over if there is a credible alternative. This credible alternative must take into account that there are two different types of 'socialists'. Those who claim they wish to reform capitalism and those who struggle to bring about the socialist transformation of society. The Irish Socialist Network is only interested in working with the

latter. To facilitate this there is a need for the existing radical socialist organisations to come together to work on key issues, with a view to forming a broad left alliance at the core of which would be those committed to the full abolition of capitalism. After a prolonged period, during which the working class has been pushed back there is a need to combine forces and regroup. There is a need to defend the idea of socialism as an alternative to capitalism. Supporting working class struggles and proposing measures, which concretely improve the lot of the working class, in conjunction with asserting the need to replace rather than reform capitalism can facilitate this. The Irish Socialist Network does not deny that this will be a difficult task. There are many who have had bad experiences of parties of the left. It will require much patience and hard work. It requires a truly democratic way of functioning with respect for the rights of different currents. It is also important that no group comes to work with the view that they are true defenders of the faith. That does not mean that differences cannot be discussed but this should be done in a spirit of comradeship with a view to achieving greater cohesion and unity in action. The rewards could be the catalyst to the beginnings of a different world. The building of a strong radical left would give a united voice to those opposing Partnership and expose the hypocrisy of those who claim to represent the labour movement but who do nothing but put the interests of capital first.

- Secondly, there is a need for a democratic renewal of the trade union movement. The trade union movement although imperfect still remains a tool for defending the working class, though by no means the only one. The rightward evolution of the traditional parties of the left has been matched within the
- Trade union leadership. It is no coincidence that some of the leading lights within the trade union leadership are members of the Labour Party or former members of the Workers Party/Democratic Left who now believe there is no alternative to capitalism. As in the field of politics, they have connived with Government to implement policies favouring capital. Within the trade union movement they have implemented policies, which have stifled the true role of the movement, and they have repeatedly done the bidding of the Government. We have to take the message to the ordinary member that the leadership cannot put capital before labour. The way to gain democratic control of the trade union movement for the ordinary member is to support and encourage rank and file solidarity groups within the trade union movement and to seek to replace the trade union hierarchy with a truly democratically elected leadership. We must also actively oppose any attempts to weaken the power of the rank and file membership's control over union structures, decision-making processes and policy statements. On the road to democratic renewal of the trade union movement many battles will have to be fought which have been ignored while the trade union leadership cosied up to Government during the time of Social Partnership. These will include:
 - > The ending of percentage increases which has seen the trade union movement participate in the increase of wage inequality in Ireland.
 - > The end of tacit support for privatisation and vigorous campaigning in favour of democratic public control and ownership.
 - > The repeal of all anti-union legislation.
 - > The introduction of mandatory trade union recognition.

- Thirdly, there is disquiet in the Community and Voluntary Pillar about the operation of Social Partnership. As Conlon (2002) points out "the non-pay aspects of the various agreements have been used to sell these agreements and wrap them up with a social conscience". Yet we have shown in this document that their involvement has not led to a decrease in inequality instead the situation has worsened. Traditionally trade unionists and the community activists have tended not to work together. There is now a need for a new strategy, which would involve unions campaigning on social and political issues and cooperating with community activists to work together in improving all aspects of the lives of workers, those of the traditional workforce and those at risk of poverty and marginalisation. This ideal of united campaigning action by trade unions and community organisations has already begun to have an impact in both Britain and the USA and in both cases left activists on both sides have played an important role in bringing this about. There is also a need for progressive activists in community and voluntary organisations to begin to challenge those in the leadership of those groups who are ideologically committed to Social Partnership.
- Fourthly, there is a need to tie this to similar movements in other countries. We cannot forget that capitalism is international. It will be important to develop the maximum contacts with radical forces in other countries and to support international mobilisations against capitalist globalisation. The fight against 'globalisation' can only be fought by real international solidarity and for this the movement will have to be internationalist in outlook. In particular we have to develop strong links with radical socialists in EU countries in order to put forward a socialist alternative to the Europe of big business. The trade union movement in this country, through the vehicle of Partnership, has been to the fore in promoting a Europe, which embraces the march of neoliberalism. The fight against globalisation can only be fought by real international solidarity and for this the movement will have to be internationalist in outlook.

The Irish Socialist Network does not claim to have the complete blueprint for advancing the campaign to oppose the now discredited Social Partnership system. What we have attempted to do in this pamphlet is expose the real nature of this corporatist system. The urgent task of radical socialists, shop floor Trade Unionists and grass roots community activists is to build such a campaign from the bottom up. The importance of this task can not be overstated because it is in essence the first step in building the only Partnership that we believe in, that of the mass of ordinary people working together to create a society where they, and not a wealthy elite, have full control over every aspect of society, economic, social and political.

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The Irish Socialist Network

The Irish Socialist Network is a radical democratic socialist organisation, committed to the complete abolition of capitalism and its replacement by a socialist society, by which we mean:

- A transformation of power relationships leading to democratic control of all aspects of society and an end to elite rule.
- Collective ownership and democratic control of all economic structures, wealth and resources, by the working class.
- Equality of all people and an end to all forms of privilege and discrimination.
- Vindication of all human rights; social, political and individual.
- A sustainable society developing in harmony with the natural environment.

The Irish Socialist Network will work to achieve this society on the basis of the following principles:

- Change is brought about by the empowerment of ordinary people not by a revolutionary vanguard or parliamentary elite.
- Openness, equality, internal democracy, consistent activism and a commitment to class politics are essential traits of a socialist organisation.
- Non-dogmatic Marxist thought is essential for analysing society and advancing the struggle for socialism.
- While acknowledging differences we will work in a non-sectarian manner with, and promote dialogue between, all socialist and progressive organisations.
- A key component of socialism is internationalism. The struggle for justice, equality and defence of the environment is global.

For further information, please contact:

**IRISH SOCIALIST NETWORK,
19 Fairways Grove,
Finglas East,
Dublin 11.**

Tel: Colm @ 087 9487554 or Email: breathc@hotmail.com

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