



Summary

- **Reject all moves to re-create a hard border.**
- **Reject any attempt to establish customs posts or immigration checks.**
- **No Irish Garda, immigration or customs official should co-operate in imposing a border.**
- **Irish people - North and South must vote on the outcome of any negotiation between the EU and Britain.**
- **The Irish government should give a clear commitment that it will use its veto to implement the decision of such referenda.**
- **Insist on the retention of a common travel area between North and South.**
- **Reject moves to weaken the economic linkages between North and South.**
- **A campaign of civil disobedience and people power to remove posts if the EU and UK insist on imposing a hard border.**
- **Oppose neoliberal reforms imposed by London or Brussels**
- **Oppose Imperialism imposed by London or Brussels.**
- **Oppose PESCO – the move towards a European Army.**
- **Ensure that working people do not pay the economic costs of Brexit**
- **Move to a new model of economic development less susceptible to international decisions like Brexit or the election of Trump.**

Introduction

The Brexit debate is being framed in exclusively nationalist terms in the official media. This assumes that Ireland is synonymous with the business and elites classes in the country and excludes analysis of the effects of Brexit on different social groupings. Working people have different interests than employers and bankers that must figure in any discussion on Brexit. In their rush to remain close to European capitalism, the mainstream press also refuse to criticise the imperialist record of the EU. This leads to a very narrow debate with Varadkar and Coveney wrapping themselves in the green jersey and looking to use Brexit to defend the interests of Irish capitalism.

People Before Profit have a different agenda. For us the key issues centre on

- Avoiding a hard border.
- Opposing imperialism in the UK and EU.
- Analysing the effects of Brexit on social classes
- Analysing the new contradictions for Ireland's model of capitalist development



Partition

The Fine Gael government claim that they want to separate the economic impact of Brexit from the 'constitutional question'. We reject this argument. The border between the North and South of Ireland is not akin to that between Italy and Switzerland, for example. The Irish border was imposed on the majority of the Irish people by a counter-revolution, instigated by the British Empire. It was designed to produce a 'carnival of reaction' and to blunt the impact of the Irish revolution. Its effect was to imprison Northern nationalists in an oppressive state and to allow the Unionist elite to suppress the class instinct of Protestant workers by pointing to an 'internal enemy'. Partition also helped to produce a mirror image state in the South where the Catholic Church and its charity network became a replacement for social rights.

Like James Connolly we reject any move to produce a hard border – not just because of the massive inconvenience it would cause, but because it would strengthen a reactionary settlement of Ireland's national question – at the very time when that issue is re-emerging.

Specifically this means that the left should:

- Insist on the retention of a common travel area between North and South.
- Reject any attempt to establish customs posts or immigration checks.
- Reject moves to weaken the economic linkages between North and South.

This position puts us into outright opposition to the Democratic Unionist Party. Far from representing the interests of the 'Unionist community' the right-wing DUP see Brexit as an opportunity to strengthen the link between the North and the UK including the border.

The Southern establishment oppose a hard border – but mainly because of its effect on capitalist development on the island.

They are a weak power and will not take decisive measures to stop such a border developing.

We therefore call for

- The use of an Irish veto to stop any moves to a hard border.
- That the Irish people - North and South – be given a vote on the outcome of any negotiation between the EU and Britain. This is a matter of basic democratic principle, particularly given the fact that the majority in both the north and Scotland voted against Brexit. The Irish government should give a clear commitment that it will use its veto to implement the decision of such referenda.
- The Irish government should declare now that no Irish Garda, immigration or customs official will co-operate in imposing a border.



- That should the British government carry on regardless, a campaign of civil disobedience and people power be erected to remove such posts.

Neither London nor Brussels

The mainstream debate is being framed around how Ireland can remain as close as possible to both the EU and Britain. The establishment want Irish people to support the state in doing deals that will keep Britain in the customs union and Ireland at the heart of the EU. Again, we reject the way the debate is framed.

For us, what matters is the lives of working people in Ireland and in Europe. Neither London nor Brussels share this objective, as they both want to push neoliberalism in their respective areas and to make working people pay the costs.

This means they should not be seen as the partners of Irish workers. Remember that Brexit is a symptom of an unstable global system.

Austerity created bitterness among the British working population. The Tories and their media friends stepped up their anti-immigrant and racist rhetoric to re-connect with that bitterness. Corbyn's critical view of the EU was rarely heard and Brexit took on a right wing and xenophobic form.

But political developments are only one reflection of a deeper fragmentation among the allies of US imperialism.

Today an intense rivalry has been set off between the leaders of British capitalism and those of Franco-German capitalism who dominate the EU.

The Tories believe they can power forward British capitalism by turning it, into what Corbyn has described, as a bargain basement economy' built on low wages and more de-regulation. They fantasise about making Britain 'great again' and hope they can use this rhetoric to retain electoral support.

The EU leaders have a different imperial agenda – but, despite the use of a liberal progressive rhetoric – an equally nasty one.

They want to use the departure of Britain to strengthen the EU and turn it into a more centralised, 'federal' system where decision making is increasingly sealed off from popular pressure. The first step in this process was to discipline Greece and other peripheral nations for stepping out of line. It was the EU that pushed massive austerity onto working people and reinforced neoliberalism by creating the fiscal compact and closer banking and capital markets. The next step is the creation of an EU army, through the PESCO project.



In order to do this, they must first extract the maximum punishment from Britain – in order to deter others from leaving the EU.

The Irish people as a whole, and working people in particular, may be caught up in the cross fire.

We need a government that is bound by no intrinsic loyalty to the EU and puts the needs of the majority of the Irish people ahead of any loyalty to one bloc.

This is not, however, how the Irish elite see matters.

Fianna Fail and Fine Gael pretend that the rulers of the EU have the interests of the Irish people at heart, but even while they position themselves inside the camp of their 'EU partners', they still want to maintain their links with the British ruling class.

This is why they may settle so easily for a 'form of words' that only sets 'parameters' for future arrangements on the Irish border.

Only a government that is firmly committed to ending partition and putting the interests of the Irish people, ahead of the rival imperial powers, can take the decisive measure that are necessary to stop a hard border.

Workers Shouldn't Pay the Costs

The British elite want to make workers in Northern Ireland and Britain pay for the cost of a break with EU by creating a low wage, low regulation economy.

But the Southern elite also want to keep down wage increases and to offer more subsidies to their business friends.

They are already using Brexit to call for a 'moderating' of wage increases and to keep FEMPI legislation.

They will also demand that workers pay more in taxes to help fund the EU decline in spending after Britain leaves. The UK currently contributes 12% of the EU budget.

They are moving towards signing up for the PESCO programme which will commit states to spending 2% of their GDP on the military. This means an increase from the current level of €900 million to €4.5 billion.

By contrast they are using Brexit to bring in more tax dodges for their friends in business. They have already



- Used Brexit to slash the Capital Gains Tax on disposing of business assets from 33% to 10%.
- They have brought in another tax dodge for foreign executives who travel abroad. They can claim up to €35,000 in tax relief just for jet setting.
- They have extended the Special Assignee Relief Programme (SARP) until the end of 2020. This disgraceful scheme allows foreign executives to write off the cost of private education from their tax bill.
- They played this game before by arguing that we would all benefit by bailing out the banks but working people have been repaid with a housing crisis and stagnating wages.

People Before Profit insists that working people must not bear the cost of any dislocation that occurs because of Brexit.

- We support an increase in wages to stimulate demand in the Irish economy and the immediate removal of FEMP legislation.
- We want increased investment in public enterprises to create jobs – particularly jobs that help mitigate against climate change, such as those in insulating buildings or developing public transport.

A New Model of Economic Development

The Irish economy will be the hardest hit by Brexit as it threatens to undermine its central dynamic. The Southern elite have turned the country into a tax haven to attract multi-nationals but also one that lacks internally generated substantial economic development. This means that indigenous capitalists are still dependent on exporting to Britain.

Here are some salient facts

- Traditional manufacturers (i.e. textiles, clothing, leather, wood and paper products) rely on the UK for almost 36 percent of all exports. They also rely on Britain for many intermediate goods used in the production process.
- 44% of the exports of indigenous Irish capitalism go to Britain.
- The Southern economy is heavily reliant on tourism, which accounts for 150,000 jobs. Many of the visitors come from Britain and numbers will reduce if there is a decline in sterling.
- Ireland's agri-business is highly reliant on exporting to Britain - 23% of its exports go there.



A model that combines developing a tax haven economy alongside the acceptance of a weak form of Irish capitalism that is still – despite recent changes – dependent on a British market is now under threat.

A host of EU rules will challenge this model. If there is no deal, for example and both Britain and the EU were to apply WTO tariffs there could be a 20% levy on Irish food exports to Britain.

Under 'country of origin rules' there will be a major challenge from the EU to the use of intermediary goods sourced in Britain for production.

Above all, the tax haven form of Irish capitalism will be challenged. Britain itself – in a new alliance with Trump's USA – will cut corporations taxes. Meanwhile, the Irish elite will lose a major ally inside the EU to defend their role as a tax haven.

All of this can mean a substantial loss of jobs and a major dislocation of the Irish economy. It means that a new model of economic development is required.

The tax dodging model is under pressure and failing the majority. Instead of closely aligning with the EU and British elites, People Before Profit would move Ireland in a fundamentally different direction. In place of tax dodging we would take the €18 billion from Apple and add it to the €23 billion identified by People Before Profit in the Alternative Budget 2018.

This war chest of more than €40 billion would be enough to kick start an entirely new economic model based on indigenous industrial development and the creation of strategic companies in a number of sectors.

At the same time we would redistribute wealth and income in the country away from the rich, towards the majority. This is the best insurance we now have against the bigger powers using Brexit for their own interests. Below we summarise our main ideas

- A major re-distribution of wealth through new taxes on the rich to provide resources for state led development.
- We need to create jobs by a major programme of house building and insulation. A state construction can do this and avoid the blackmail from private developers who are holding back building until prices rise even more.
- We need state led banking to funnel resources to domestic industry
- We need a switch to manufacturing in such areas as generic pharmaceuticals and products for a green economy.
- We need public control of natural resources used to diversify towards a green economy that is not reliant on fossil fuels.
- We need to break the grip that the beef barons have over Irish agriculture and re-orientate to more tillage and locally produced food.