



# People's News

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*Our budget day protest was covered by RTE Nine O 'Clock News and Primetime among others. We also spoke on the Dublin Council of Trade Unions platform.*

## **Sweden clips wings of EU foreign ministers**

Swedish foreign minister Carl Bildt has dismissed criticism from some of his EU counterparts for implementing a Lisbon Treaty provision that sees foreign ministers excluded from EU summits.

‘Sometimes I have the impression that there is an expectation of me to be some sort of a chairman of a foreign ministers’ trade union, which I obviously am not’, Mr Bildt told MEPs in the foreign affairs committee.

Some foreign ministers – more or less openly – criticised the speed with which the Swedish presidency acted to implement the new EU legal framework. But Mr Bildt defended his actions: ‘The Lisbon Treaty is in place since 1 December and until 31 December I will be very fundamentalist in implementing it’.

He explained that since the treaty came into force, relations between member states are no longer considered ‘foreign policy’ but are now ‘domestic policy’ and so EU leaders no longer need their top diplomats beside them. Foreign ministers may now be invited if ‘foreign

relations' with non-EU states are on the agenda.

**EUOBSERVER, 10 December 2009**

## **Vast majority of Irish firms shun voluntary register of EU lobbyists**

THE VAST majority of Irish firms are shunning an EU register of lobbyists, which is designed to provide the public with information on corporate influence in Brussels. The three biggest Irish firms – CRH, Ryanair and Kerry Group – who intensively lobby EU institutions on upcoming European legislation, have not signed up to the voluntary register.

The Irish Farmers' Association and employers' body Ibec have also so far refused to sign up to the European Commission's initiative to boost transparency, even though they both run well-staffed lobbying offices in Brussels.



Just eighteen Irish-based organisations have signed up to the register, which requires companies to detail the amount of money they spend on lobbying activities or, if they are specialist

public affairs firms, to list their clients and their annual revenues. Any firm or organisation that signs the register must also sign up to a code of conduct stating they apply the principles of openness, transparency, honesty and integrity.

About 2,000 organisations in Europe have signed up to the register since it was launched in June 2008, including US multinationals such as Dell, Microsoft and Intel.

'The Irish example fits a general pattern whereby most EU firms have decided not to sign up to the register because it is voluntary. The register is clearly not working and needs to be made mandatory like in the US', says Olivier Hoedeman, who works with Corporate Europe

Observatory, an NGO campaigning on EU transparency issues.

Socialist MEP Joe Higgins said the EU's voluntary register was a joke and criticised the influence that big companies such as Ryanair wielded at EU level. 'We recently saw the aviation commissioner, who is meant to be a regulator, getting an all-expenses paid trip around Ireland in a Ryanair jet.' A Ryanair spokeswoman said the firm did not see the need to sign up to the register because it did not employ outside lobbyists. She could not comment on whether the company would change its policy and sign up to the register in the future.



Ibec's director of EU affairs Brendan Butler said the organisation was waiting to see what policy its representative body Business Europe adopted on the register. 'We are positively disposed towards this. I'd conservatively estimate we spend more than €1 million every year on lobbying at EU level', said Mr Butler.

An IFA spokesman said it had decided to sign up to the register through its European affiliate body COPA rather than make its own submission. But neither the IFA nor *The Irish Times* could find any submission made by COPA on the register .

*Irish Times*

## **War – an Irish growth industry**

With the Republic in the midst of a catastrophic economic crisis, the issue of war and peace might seem somewhat remote. However, the establishment parties even in the boom years have very cleverly tied jobs and the eradication of Irish neutrality together.

The transformation of Shannon airport into a military installation for the US war machine was pitched by the government as essential to insure US multinationals remained in the region. Dell's departure to more profitable pastures exposed the nonsense of this. The

bottom line for US companies is profit, nothing more, nothing less.

And the same fallacy of job creation was used to get the electorate to vote for the Lisbon Treaty and ignore the growing militarisation of Ireland and the EU. All of the establishment parties – FF, FG, Labour & the Greens – played the very same card trick to bamboozle the Irish people.

Under the Lisbon Treaty and new Defence Bill (2009) there may well be one growth industry and that will be in the military sphere. Enterprise Ireland is involved with the European Defence Agency in identifying Irish companies to participate in ‘defence’ contracts.

Two so-called ‘success stories’ are the Údarás na Gaeltachta-backed Timoney Holdings in Navan and Dublin-based Acra Control. Apparently Timoney’s Bushmaster armoured vehicles have proved a huge success in Iraq. And Acra’s technology continues to assist the US drones to rain down death and destruction on the peoples of Afghanistan and Pakistan.

If you were to read what passes for a debate on the present Defence Bill in the Dáil, which deals with both the European Defence Agency and Ireland’s participation in the EU’s Permanent Structured Cooperation, you will see that all the establishment parties are singing from the same hymn sheet. Not even Labour’s defence spokesperson Brian O’Shea voiced any objection and Michael D. Higgins – the ‘conscience of the Labour Party’ – did what he did during the Lisbon referendum campaign and remained strangely silent on these issues.

With regard to Permanent Structured Cooperation, a constitutional amendment inserted at the time of the Nice Treaty should prevent any Irish involvement in EU common defence without a referendum of the Irish people. The Defence Bill makes a nonsense of this.

But the establishment parties hide behind the myth of the ‘triple lock’ – the necessity of Government, Dáil and a UN mandate before

Irish troops can be sent abroad. However, the ‘triple lock’ was unceremoniously picked by the passing on 5 July 2006 of the Defence (Amendment) Bill 2006, which made way for Irish involvement in EU battlegroups. Ironically, it was the Green Party which exposed the abandonment of the ‘triple lock’ at the time. In its policy statement it brought to light how the definition of ‘International United Nations Force’ had become so ‘broad that any vague resolution from the Security Council’ would do.

The 2006 Defence Bill makes it clear that only Government approval is necessary for a whole series of tasks including:

- carrying out duties as a military representative or filling appointments or postings outside the State, including secondments to any international organisation,
- conducting or participating in training,
- undertaking monitoring, observation or advisory duties.

It is perhaps no surprise to hear the Minister for Foreign Affairs mention recently that Ireland may send ‘advisers’ to Afghanistan to supplement the seven members of the Irish Defence Forces presently stationed in Kabul – a new Irish export.

### **Commission support for NAMA and budget cuts**

On 10 October 2009, only a week after the Irish people accepted the Lisbon Treaty, EU Commissioner for Economic and Monetary Affairs Joaquín Almunia, flanked by Minister for Finance Brian Lenihan, at a press conference in Dublin said he wanted to see legislation setting up the National Asset Management Agency (Nama) passed as soon as possible. Mr Almunia, who was the EU commissioner involved in negotiations with the Government on the establishment of Nama, also met the

new governor of the Central Bank, Patrick Honohan.

His message was clear: 'My wishes for the next couple of months here are, first, that Nama will be adopted by the parliament as soon as possible'. Nama was an instrument that was needed to tackle the problems across the Irish banks, and 'to organise an orderly restructuring and consolidation of the banking sector here in Ireland'.

Mr Almunia acknowledged that the pricing of the toxic assets to be acquired by Nama was 'a very, very technical issue' which included 'political elements', but the Commission would assess how Nama calculated the value of these loans to avoid the breaching of any EU state aid and competition rules.

Michael Casey – a former chief economist at the Central Bank and board member of the IMF – has said that 'the EU is acting as a sort of IMF behind the scenes', adding that 'this has not been revealed to the general public'.

He pointed out 'Our fiscal targets have all been cleared with Brussels. Nama has had substantial input from the ECB'. Mr Casey then went onto explain that 'The Irish banks are already borrowing from the ECB, but they are not lending on much of that money to private businesses. Instead, they are investing in Irish government securities, thus helping to finance the deficit. When Nama is up and running, the banks will be able to borrow far greater amounts from the ECB. Some of this money may be lent to the private sector, but it is likely that substantial funds will be made available to the Government to finance the budget deficit'.

Mr Almunia, who also held discussions with the Government on its plans for changes to the public finances, said these efforts should focus on cuts in public expenditure in the budget in December. 'Probably the expenditure side should take the burden of the most important aspects of the adjustment', he said.

For Ireland, the Commission recommended that 'the government specifies consolidation

measures in the budget for 2010 in line with the package announced in the April supplementary budget, and ensures an average annual structural budgetary adjustment of 2 percentage points of GDP over the period 2010-2014. It should accelerate the reduction of the deficit (even) if economic or budgetary conditions turn out better than currently expected and seize every opportunity, beyond the structural adjustment, to accelerate the reduction of the gross debt ratio towards the 60% of GDP reference value.

The measures set out in the Commission's recommendation\* mean the fiscal adjustments we'll suffer over the next five years will be the highest in the European Union. We'll have four years of spending cuts of €4 billion – a cumulative cut of €16 billion – and significantly increased job losses. Yet the government won't look at other options and timeframes which may not hit families so hard. The Lisbon Treaty transferred more power to EU institutions and lessens Ireland's voice in Europe at a time when crucial decisions regarding the economy and other issues are being considered. But the EU's role is barely mentioned in the media even though it is the key driver of the cuts regime.

## **President Van Rompuy plans shake-up of EU summits**

The new EU president, Herman Van Rompuy, is planning to shake up the regular gatherings of EU leaders to make them less formulaic so that they result in decisions that have immediate relevancy.

The summits, which take place at least four times a year in Brussels, will have their attendance streamlined and will produce conclusions which are 'operative' and contain a message which is 'readable and visible' for the European public.

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\* [http://ec.europa.eu/economy\\_finance/netstar\\_tsearch/pdfsearch/pdf.cfm?mode=m2](http://ec.europa.eu/economy_finance/netstar_tsearch/pdfsearch/pdf.cfm?mode=m2)

Speaking about future meetings of EU leaders, which he will start to chair from 2010, Mr Van Rompuy on Thursday evening (10 December) said: 'We have to constitute a group, a club, that gets on, that works for the same cause, namely the European Union'. He emphasized that the European Council's principle members are the heads of state and government, calling them the 'hard core'.



*Herman Van Rompuy*

Other ministers – such as those in charge of foreign affairs or finance – may attend from 'time to time' depending on the agenda.

Meetings will also take place more frequently and result in more political decisions, according to the former Belgian prime minister, known and chosen for his low-key style. He said the main focus of his two and half year tenure would be the economic situation, suggesting that if the continent wants to hold on to the 'European way of life' it has to grow by 2 percent, double the official projections for the EU's battered economy.

Mr Van Rompuy intends to hold informal and formal meetings over the coming months so that in half a year's time, the bloc has a 'good strategy' for tackling the crisis, which has resulted in soaring unemployment and public debt in several member states. The first informal meeting has been called for February, just ahead of the traditional spring summit, where governments will try and agree a long term economic plan to bring the union to 2020.

French president Nicolas Sarkozy said Mr Van Rompuy's address to EU leaders on Thursday evening was an 'insightful contribution'. Both he and his German counterpart welcomed the fact that the new president will be able to take part in all EU ministerial meetings, giving him an oversight across all policy areas. In addition, several EU leaders welcomed the new slimmed-down format of the meeting, with foreign ministers not invited to take part in this week's two-day summit, the first under the EU's new Lisbon Treaty.

***EUOBSERVER.***