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Henry Ford used to tell would-be purchasers of his Model T that they could have any colour – but that it had to be black! The published draft of the ‘fiscal compact’ treaty is a bit like Ford’s Model T: signed-up countries can have any social and economic policies they want – but they have to be austerity and deflation.

Signing up to the treaty would result in a qualitative change in the nature of the outside interference with the budget, taxation and public spending capacity of the Irish state.

Mr Noonan deliberately confused this point when he told a London meeting that ‘There is external consultation already on the types of budgets that we put in place. For example, we have to reach agreement with the European authorities and the IMF – and have done so – on the level of deficit that we run in all budgets up to 2015’. He also boasted that he has ‘a fiscal control bill drafted already, which in certain respects goes further than is required’.

His audience of City of London financiers and bankers might have missed the travesty of the principles of sovereignty, democracy and independence that he was espousing but European democratic opinion and in particular its Irish section cannot be equally blind.

Today, his fiscal control bill can still be defeated or repealed in a parliament that is answerable to the Irish people and even the IMF/ECB/EU ‘troika’ will ultimately have to leave these shores.

But the effect of the fiscal compact treaty would be to turn the state in effect into a permanent province of a Franco-German dominated euro-zone.

While the government has not indicated any particular worries about the actual specifics of the draft treaty, it has moments of panic about whether it will have to concede a referendum on it.

Could Ireland be thrown out of the euro-zone if it rejects the fiscal compact treaty? Already this line of argument has raised its head in direct proportion to the level of referendum phobia besetting the government. The answer is clearly ‘no’ as there is no treaty provision for a member state to be expelled from the EU or EMU.

‘Beggar thyself and thy neighbour’ is a mantra that can be applied to the fiscal compact treaty. It offers us no future. It might achieve a stabilisation of the euro-zone crisis but only at the cost of recession and the imposition of huge burdens on people.

It is a step too far.

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