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Finance Capital - Ard Fheis address by Eric Byrne

Sinn Fein The Workers Party

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Name - E. BYRNE Ned Stapleton Cumann.

Mr Chairman, fellow delegates,

The main drive of this Ard Fheis is an attack on finance capital and on the symbol of finance capital in Ireland. -- the Banks.

This is the first resolution on the Clar and it is the most important. You will see how important it is if you think for a moment on what finance capital means and how it affects the lives of the Irish working class.

First, we must understand what it means. The phrase finance capital clearly describes some phase or version of capitalism itself. So how is it different from capitalism? The difference is quite simple.

Capitalism is the name given to the capitalist system in the period when free competition appears to be taking place between different sections of industry. That was over one hundred years ago. But capitalism is an historical force that changes and gets older in accordance with the predictions of scientific socialism.

The last phase of capitalism, that is, the old age of the system, is called Monopoly Capital. At this point, capitalism is at its most powerful and aggressive. Monopoly Capital, means what it says, the period of Monopoly when industry, Agriculture and the Banks themselves become dominated by larger and larger units. Industry, in each sector is dominated by one or two firm big firms, ^{and} Agriculture is dominated by big farms. The smaller banks, then disappear and the money market is dominated by one or two big banks.

~~That's the theory of how Monopoly Capital comes about. The theory of scientific socialism then goes on to predict that industry and banking would merge - not physically merge, but that the money invested in industry and the money invested in banking~~

These predictions about how Capitalism would develop were made by the leader of the Bolshevik Party, Lenin, in his book "Imperialism, The Highest Form of Capitalism". He went on to make the following definite predictions, which we can easily test by looking around the Irish economy.

The first prediction was that industry would become concentrated in each branch into larger and larger units. In Irish industry we find that in all the key sectors, one or two firms, such as United Distillers in distilling, Smurfits in paper, Cement Roadstone in concrete dominate their sectors. Real Monopoly is shown most clearly in profits - the top 8 firms on the Dublin Stock Exchange have ^{between them} 70% of all profits. ~~That prediction was that Banks~~

Nobody with eyes in his head ^{can} deny that Irish industry is well down the road to Monopoly. // L

The second prediction was that the Banks would become concentrated. There are 43 Banks in Ireland. Two of these Banks control over 50% of Irish Banking, that ~~5~~ the Bank of Ireland and Allied Irish Banks. Add 2 more - the Ulster and the Northern ^{and} the 4 together control almost 80% of the market. ~~Mergers go on every day.~~ ^{then}

The third and most important prediction was, that the money sunk into industry and the money sunk into the Banks would be merged. This merger between Bank money and industrial money is quite simply all that Finance Capital means. And the reason why that merger took place so smoothly ^{is} because the money belonged to the same group of people. ^{tiny}

Stopped here

Lenin said that the merger of Bank capital and industrial capital would take place by means of what he called "Personal Union". By personal union he meant that the directors of the Banks would also be directors of industry.

How does this prediction measure up against the Ireland of 1976? The facts speak for themselves.

Between them, 32 directors of the Bank of Ireland and ^{the} Allied Irish Banks hold 260 directorships in industry.

17. The top 4 Banks, 10 directors are also directors of the top 10 industrial firms on the Irish Stock Exchange. Or take it another way, if you look at the directors of the top 10 Irish industrial companies, you'll find they hold directorships in the top 4 Banks.

Finance Capital, that is the merger of Banks and industry, under Bank control -- Finance Capital, as I say, is not something that began yesterday. Long before the Anglo-Irish Free Trade Agreement of 1965, indeed right back in 1938 the directors of Irish banking and Irish industry were beginning to merge. But it was the vast economic collapse of the '50s that drove the Irish capitalists heading towards Monopoly.

Long

In 1946, in the Beverages Sector, that includes brewing and distilling there were exactly 100 enterprises. Today only 3 remain. Or look at agriculture. In the mid 1930s there were over 140 co-operatives in food processing. Today there are no more than 20.

These are only examples. But they give the lie to the kind of Sovereignty Movement propaganda that dates the entry of foreign capital to Ireland as something caused by the Anglo-Irish Free Trade Agreement in 1965. Long before foreign capital arrived in Ireland, the Irish gombeen class were helping Ranks and Odlums to divide up the country between them.

The picture, of a gallant little Irish capitalist class going down before foreign wolves is petty bourgeois nationalist and Hibernian propaganda. The Irish capitalist class ^{First} got Monopoly in their own house ^{first} by liquidating the small farmers and the small shopkeepers. Then they called in the American ~~wolves~~ wolves and told them they could have a run of the house for a very high rent. And that difference is the difference between our party and other parties. When things get tough for the Irish gombeens and they start howling for Protection and tariffs and Buy Irish campaigns, other parties ^{for example the Labour Party} of the Left rush to their assistance talking about how much foreign furniture Irish life bought. That's not the issue. The issue is why haven't we a timber industry? - a Steel-Furniture industry

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The issue is not whether Irish Life wasted thousands of pounds on foreign furniture, but why as a State company it doesn't acquire all office accomodation in Dublin city and rent it to the State sector at low rents?

But while the Labour Party and Brendan Halligan tried to distract the working class with these ~~lies~~ & chinese coolly stories, the serious exploiters who run them get on with the ^{Real} job of ~~robbery~~ robbery.

This recession has seen in just 18 months, the most tremendous take-over of Irish industry by Banking. Just before Christmas the figures showed that 46.8% of all the capital employed by the top 10 companies on the Irish Stock Exchange --- was owned by the Banks. But because these top 10 companies have themselves a Monopoly grip, in that 8 of them have 64% of all profits on the Stock Exchange, then it follows that no less than 38.4% of all the ~~industrial~~ -industrial capital on the Irish Stock Exchange is owned by the Banks.

Our party is the only party to realise the significance of these figures. Our party is the first party to tell the Irish working class that the correct name for the present period is Finance Capital. And our party is the first party to publish a detailed study of Finance Capital. A study which instead of talking vaguely about Imperialism, talks about the real groups who hold real power. The ~~Sinn~~ pamphlet published by the Dept of Economic Affairs, called THE BANKS shows exactly how and where the Banks got to the stage of owning the top companies and the top Co-ops in Ireland.

And this allows us to understand the nature of the present recession. Because we know Finance Capital is now the main enemy -- we know the Banks are the main enemy. We are not running around, calling for the nationalisation of this, that and the other. Our party and our party alone has the correct demand for the present time. Nationalise the Bankd. Get the Money Market under State control. This party wants to put an end to the Bank robberies being carried out on the Irish people.