

Fianna Fáil and Fine Gael likely to seek coalition with Irish Labour Party

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The Irish general election looks set to return a coalition government similar to the outgoing administration, in power since 2020. Fianna Fáil recorded 21.9 percent of first preference votes against 20.8 percent for Fine Gael.

This translated into 48 seats for Fianna Fáil, an increase of 10, against 38 for Fine Gael's increase of 3. The comparison with 2020 is not exact, as there are 14 more seats contested this time around.

The two major right-wing establishment parties are still short of an outright majority in the 174 seat 34th Dáil (parliament). There will now be weeks of horse trading between the election winners and one or more third parties. Both Fine Gael and Fianna Fáil have ruled out a coalition with Sinn Féin, the former political wing of the Irish Republican Army, who came second, polling 19 percent of the vote, and won 39 seats, an increase of two.

Reflecting broad alienation and dissatisfaction, the election saw a low turnout as only 59.7 percent of eligible voters participated. This is the lowest figure since the establishment of the Irish Free State in 1922 in the aftermath of the partition deal with British imperialism, and the civil war of 1923.

All three leading parties recorded drops in their vote share. Fine Gael and Fianna Fáil dropped 0.1 and 0.3 percent respectively. But the main loser was Sinn Féin who lost 5.5 percent, finishing with 24.5 percent. But compared to its high in the opinion polls, in 2022--where it was polling at 35 percent--Sinn Féin's share fell by more than one third. By standing more candidates however, Sinn Féin were able to maximise their share of representatives with 37 seats.

Among the smaller parties, the Social Democrats (4.8 percent) and the Labour Party (4.7 percent) did relatively well, winning 11 seats each—both up five.

Junior coalition partners, the Greens, were nearly eliminated from parliament, losing 11 of their 12 seats on 3 percent—down from 7.1 percent--with only leader Roderic O'Gorman winning his seat.

Votes for the smaller right-wing farming and religious parties went up. Recently formed Independent Ireland,

whose logo resembles a green tractor wheel, won four seats and 3.6 percent, while “socially conservative” Aontú, a split from Sinn Féin, won two seats and 3.9 percent.

Talks over a coalition are to take place immediately. Fianna Fáil and Fine Gael, as expected, ruled out any agreement with Sinn Féin, who will again be kept out of government. There is speculation that Fianna Fáil and Fine Gael may seek a coalition with other right-wing parties, along with a clutch of mostly former Fianna Fáil and Fine Gael “independents”.

There will likely be overtures to the Labour Party, the go to party of the Irish bourgeoisie in times of peril. All parties will want talks concluded as quickly as possible, in conditions of an escalating war crisis and preferably in advance of the inauguration January 20 of Donald Trump as US president.

A *Politico* article Tuesday cited Fianna Fáil Foreign Minister and Tánaiste (deputy prime minister) Micheál Martin--expected to take over as Taoiseach (prime minister) from Harris—who said, with Harris in agreement, that Trump's inauguration set “an effective deadline” on forming a government.

Politico noted “that the eve of the election, Harris said if Ireland failed to forge a new government by Trump's inauguration, his country would be in a weaker position to respond to any early tariffs the administration imposed on EU [European Union] goods”.

There were “nearly 1,000 American multinationals in Ireland today” that “constitute by far the country's biggest contributors of income tax and corporate tax, Ireland's top two sources of revenue” and Harris “has warned that were Ireland to lose even the top three companies, a 10th of the state's tax revenue might head overseas as well. He declined to name them in keeping with Ireland's protection of business confidentiality.”

Even though corporation tax is just 15 percent, the take from the vast amount of US transnationals operating in Ireland has kept the economy afloat and allowed the two main bourgeois parties to direct funding at key parts of their

constituencies. As the *Financial Times* notes, “Ireland has the luxury of an expected €24bn budget surplus this year thanks to a likely €30bn corporation tax haul from multinational tech and pharma companies with European headquarters or big plants in Ireland.”

But is not just Trump’s threats to impose tariffs that threaten economic turmoil, with the FT commenting that his “threats to slash US corporation tax to match Ireland’s 15 percent rate to try to reclaim some of the taxes paid by American companies abroad are a risk.”

Shortly before the election, Fine Gael Taoiseach, Simon Harris, called for transfer votes--under Ireland's proportional representation system--to be made to “other parties”, taken to mean Labour and Fianna Fáil. Harris opposed independent candidates, saying “do we want to make up the Dáil with 40 or 50, 60 independent TDs and how do we form a stable government if that is the backdrop.” According to the *Irish Times*, there is a strong preference for a coalition with Labour to act as a political “mudguard”.

Labour was last in power between 2011 and 2016, when as coalition partner to Fine Gael it carried through the brutal austerity policies demanded by the financial oligarchy in Ireland and internationally in the aftermath of the 2008/09 financial crash.

By 2010, all of Ireland's banks were nationalised to prevent their collapse, and all the debts run up by the ruling kleptocracy over the previous period of frenzied speculation were transferred onto public accounts. €67 billion in loans were handed over by the European Union to the Irish government to stabilise its finances on condition that the most aggressive austerity measures were imposed to recoup every cent from the working class. The same year, 100,000 workers marched through Dublin against austerity. Many other protests followed.

Amid warnings from trade union officials of unprecedented social unrest and threats of the army being deployed to guard ATM machines, early 2011, the Fianna Fáil/Green coalition collapsed with poll ratings of 8 percent. The coalition's last act was to pass a finance bill binding on the next government.

Fine Gael and Labour won a landslide victory and, in alliance with the union bureaucracy who imposed a succession of pay freeze pacts with government and employers, continued the policies of the previous coalition.

Year on year cuts were imposed across all areas of social spending, pension funds were looted while unemployment soared to 14 percent. Former Taoiseach Enda Kenny, of Fine Gael, later recounted “the State had about three months money left to pay social welfare, to pay gardai [police], the teachers and nurses and everything else... The situation was perilously close to an economic abyss.”

Labour was duly trounced in the 2016 election, while Fine Gael continued in power, propped up by Fianna Fáil.

In 2020, Fine Gael and Fianna Fáil formed their first ever coalition, along with the Greens. In the intervening period, the Irish economy, entirely dependent on US led investment, has stabilised and to an extent boomed. Dublin is a major centre of US tech and pharmaceutical transnationals, while data centres consume an extraordinary 21 percent of the country's entire electricity output.

Much of this is threatened under Trump's policies of tariff barriers, trade war, total war and putting “America First”. Moreover, while unemployment has greatly reduced, social pressures on the working class have escalated in the form of intolerable housing costs and overcrowded hospitals and overstretched services.

Sinn Féin, with both establishment parties once again in power, is seeking to play the role of loyal opposition. The party has made overtures to the Social Democrats towards an alternate “centre left” formation of ex-Labour Party members and Stalinists.

No less than its rivals, Sinn Féin seeks to maintain the closest relations with US, British and the European imperialist powers. The party's election campaign was largely indistinguishable from its rivals save low key reformist promises and proposals for an Irish unity referendum.

The republicans, in government in the British controlled North, were unable to capitalise on the huge opposition in Ireland to the Gaza genocide under conditions in which some of the largest per capita protests in Europe have been held. Sinn Féin has fallen into line in backing the position of the NATO powers in opposing the reactionary Russian invasion of Ukraine, while offering not the slightest opposition to NATO's expansion and instigation of the war in pursuit of the carve up of Russia. Nor has it complained of the fascistic character of the Ukrainian puppet regime. The party's rightward shift did not stop the pseudo-left People Before Profit (PBP)--Solidarity offering Sinn Féin an electoral alliance.

PBP won a greater share of first preference votes, 2.8 percent against 2.6 percent, but lost three of their five seats, presumably because of low transfer votes from their would be ally, Sinn Féin.



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