

Women and Austerity in Ireland: Making the Connections



ATTAC EUROPEAN SUMMER UNIVERSITY,
PARIS, AUGUST 2014

PRESENTED BY NIAMH MCCREA AND MARIE
MORAN (ATTAC IRELAND)

Overview



- Bank Guarantee and Massive Socialisation of Bank Debt
- Cuts to welfare, services, organisations which affect women
- Regressive taxation
- Women pushed further into caring roles
- Ideological coup: obscure the link between gendered austerity and the bailout of the financial class
- Resistance?

Ireland: 1998-2008

- ‘Celtic Tiger’ boom
- Irish lenders increased their lending by 466% - primarily to property and financial sectors (Storey, 2012)
- Tax incentives for property development
- Property bubble
- Neoliberal low-tax strategy
- Over-reliance on taxation from property and construction



Crisis: Irish Style

2008 Global Credit Crunch



Irish Property Bubble Spectacularly Bursts



Crisis: Irish Style



- In Sept 2008, the Irish Government introduced the now-infamous **bank guarantee**
- Depositors and bondholders (secured and unsecured) guaranteed by the Irish state

Crisis: Irish Style



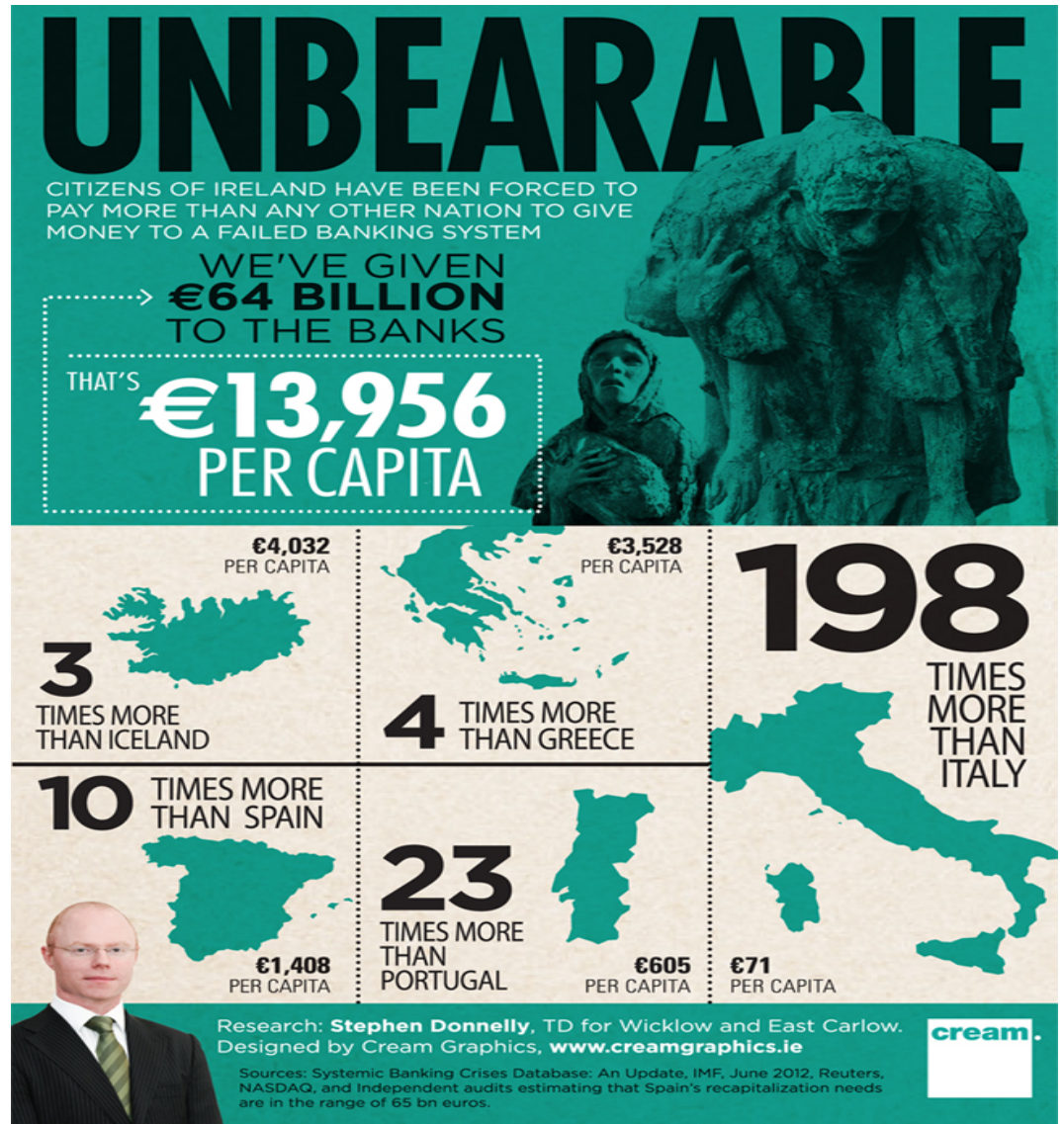
- In total **€64 billion** of citizens' money was used to bailout the banks.
- 40% of Ireland's national income
- €13,956 per capita
- 2011: 75% of sovereign debt derived from bank debt (Storey, 2012)

Socialised Banking Debt



- Even failed banks were bailed out
- Approx **€30 billion** was given to Anglo Irish Bank

Scale of Irish Bank Bailout



Troika 'Bailout' 2010

€67.5 billion



Troika



IMF officials, Dublin 2010

- Reduce public deficit from 12% in 2010 to 3% of GDP in 2015 (European Financial Stability Fund)
- Repay all debt.

Terms of agreement with Troika:



Irish Crisis: Contested Framings

‘Let’s be fair about this, we all partied’



Former Irish Minister for Finance,
Brian Lenihan, Nov. 2010

‘The decision of the Irish government to guarantee the ... Irish banking system was a bailout of well-connected lawyers, accountants and administrators. It was done to protect a particular strata of society’.

Dr Conor McCabe (Attac Ireland), 2014

Recession and Austerity in Ireland (Barry and Conroy, 2014)

- Poverty (2009-2012: overall risk of poverty up from 14% to 16%; deprivation up from 14% to 27%)
- Unemployment (2012) (15% overall; 29 % under 25s; 14% of men and 10% of women)
- Indebtedness (38% of households in chronic debt)
- Emigration

Mums to lose €2,700 a child as maternity benefit taxed
Irish Independent 7 March 2013

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Finance Minister Michael Noonan

MICHAEL BRENNAN DEPUTY POLITICAL EDITOR

WORKING mothers will lose out on up to €2,700 per child under measures to tax maternity benefit for the first time.


Policy Changes under Austerity



- ❖ Cut welfare payments
- ❖ Reduce public sector pay bill – pay, pensions, recruitment
- ❖ New and increased taxation
- ❖ Cuts to organisations working on equality

How did austerity affect women?

- Women and children disproportionately affected by budgetary changes
- 2008-2011: those on lowest incomes suffered greatest fall in their incomes – 18% ↓
- Women – concentrated in lower income groups



This Budget serves no vested interest. Rather, it provides an opportunity *for us all to pull together and play our part according to our means*

- Minister for Finance, October 14, 2008

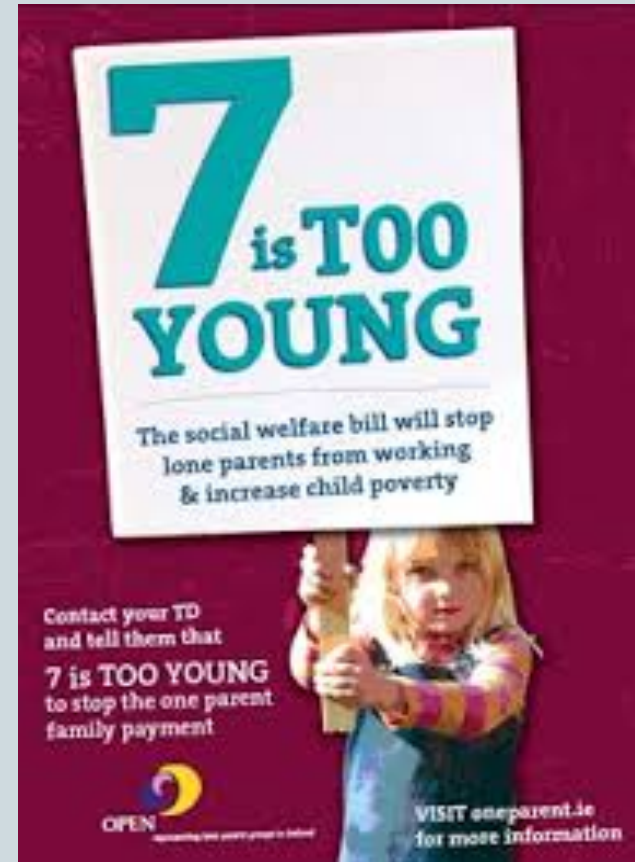
Cuts in Welfare

- Child Benefit (paid directly to women)
- Carers Allowance (claimed mainly to older aged women looking after elderly or disabled relatives)
- Disability payments
- Blind pensions
- Emergency welfare relief
- Unemployment benefit



Lone Parents

- Lone parents predominantly women
- Cuts to entitlements
- Compulsory attachment to labour market when child reaches aged 7
- ✓ 2012: **50% of lone parents experience deprivation** (EU SILC, 2014)
- ✓ 2012: **Over 16% of lone parents are in 'consistent poverty'** (EU SILC, 2014)



Labour regulation: Race to the Bottom?



- With the exception of a statutory National Minimum Wage (NMW) and a maximum hourly week, Ireland has relatively low level of labour market regulation.
- Wage competition not at the root of Ireland's crisis.
- However, onset of the recession – significant pressure on the state to reduce NMW.
- Campaign to resist this ('the poor can't pay').
- Remains at pre-crisis rate of €8.65



Labour Regulation ctd.



- However
- 2013: abolition of Joint Labour Committees (JLCs)
- JNCs had been established in 1946
- Regulate wage rates and conditions in low-paid sectors of economy, e.g. hairdressing, cleaning, security, catering.

- Women more than twice as likely as men to be working for pay rates determined by JLCs (Barry and Conroy, 2014).
- Shock Doctrine, Irish-style? (Storey, 2012; Klein, 2007)



Public Sector

- Key source of employment for women (relative job security and flexibility)
- 47% in public administration and defence are women
- 75% in education and health are women



Public Sector

- Negative consequences of cuts in public sector felt more by women
 - Direct pay cuts
 - Reduced pension entitlements
 - Two-tier public sector pay structure for new entrants
 - Student nurses now have to work for free



Regressive Taxes



- Universal Social Charge: flat tax
- Disproportionate effect on those on middle and low incomes – predominantly women

Women and Employment



- In 2007, Ireland had reached the Lisbon targets for women's employment rates despite deep structural inhibitors (nb. Childcare)
- When crisis hit, gender equality abandoned as a stated priority of employment policy
- **Gender equality treated as a luxury**
- Levelling down of gender inequality in employment but this is based on lower rates of employment, increased poverty and lower income levels among both women and men.

Women in paid employment during pregnancy



- Across EU rise in cases of discrimination against pregnant women in paid employment since the crisis
- ‘unfair treatment, financial penalties, denial of promotion and even dismissal causes 30% of working women to experience severe stress and “crisis pregnancies”’ (Russell and McGinnity, 2011)
- Predominantly in those working in the retail and wholesale sectors

Equality Infrastructure



- Pre-crisis, Ireland was recognised as having a strong equality legislative and policy framework backed up by independent statutory agencies
 - ✓ Equal Status Act
 - ✓ Employment Equality Act
 - ✓ Equality Authority

- ✓ However ...

Cutting Back on Equality and Dissent



THE EQUALITY AUTHORITY
AN tÚDARÁS COMHIONANNAIS



National Women's
Council of Ireland

Comhairle Náisiúnaí
na mBan in Éirinn



Combat Poverty
Agency *working for a
poverty-free Ireland*



RAPE CRISIS
NETWORK
IRELAND

Cutting Back on Equality and Dissent



- Combat Poverty Agency – closed 2008
- Women's Health Council: closed 2008
- Crisis Pregnancy Agency: closed 2008, merged with HSE
- Gender Equality Desk at the Dept of Justice, Equality and Law Reform: closed 2009
- Equality Authority: budget cut by 43% 2009
- National Women's Council of Ireland: budget cut by 15% betw 2008-2011; 38% in 2012
- Cutbacks to Traveller Education: 42 visiting teachers removed
- Rape Crisis Network: core HSE funding removed 2011
- SAFE network of refuges: core HSE funding removed 2011
- People with Disabilities Ireland: funding removed 2012
- National Carer's Strategy: abandoned 2009

Cuts to/ closure of community projects



**Campaigners object to cuts to
community projects**

Gendered Division of Caring in Ireland



- ‘Moral Imperative’ on women to care (Lynch and Lyons, 2005)
- 5% of adult population involved in unpaid care work (this figure does not count care of children without disabilities)
- 61% are women
- 39% are men

Women and Care



Over the past thirty years, despite their being essential to human life, neoliberal restructuring across the world has privatised, eroded and demolished our shared resources, and ushered in a 'crisis of social reproduction.'

Feminist Fightback, 'Cuts are a Feminist Issue', *Soundings* (Dec 2011)





Resistance?



Why not more resistance (Storey, 2012)?



- Docile Media?
- Guilt re debt?
- Emigration?

Challenges for Feminist Activists?

- Fragmentation
- Render **visible** cuts to women and the socialisation of banking debt/corporate tax evasion/neoliberal agenda?



References



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- With thanks to Ursula Barry and Conor McCabe
UCD School of Social Justice