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Northern Ireland's elusive peace dividend: Neoliberalism, austerity and the politics of class

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Abstract
The signing of the Good Friday Agreement was meant to signal an era of economic prosperity for those working-class communities that suffered most during the Troubles. Two decades on, this much vaunted 'peace dividend' has yet to materialise. A combination of persistent economic stagnation and the onset of austerity has ensured that the poverty and inequality that marked the era of political conflict continue to blight Northern Irish society. The introduction of the 2012 Welfare Reform Act momentarily created the conditions of the possibility of a more progressive politics premised on issues of social class. The decision of the United Kingdom to leave the European Union would, however, close down this nascent political space and ensure the resurgence in Northern Irish public debate of those ethno-national preoccupations that animate the 'constitutional question'.

Keywords
austerity, Brexit, political economy, social class, welfare reform

Introduction

A recurrent motif of popular media commentary on the Northern Irish conflict is the insistence that the Troubles 'affected everyone' (Holmes 2007: 49). While this faith in the quintessentially democratic spirit of politically motivated violence enjoys widespread currency, it fails to square with the distribution of fatalities that defined a quarter century of conflict in the region. Looking at the deaths that occurred over the course of the Troubles reveals a remarkably consistent and concentrated pattern. Northern Ireland has 94 postcodes, but more than half of the fatalities that

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punctuated the conflict were concentrated in just 12 of them (Fay et al. 1999: 150). What these dozen neighbourhoods shared in common was that they were – as they remain – sites of grinding, multigenerational poverty. Indeed, if we were to draw maps of material deprivation and fatal incidents during the Troubles, these two images would be more or less interchangeable (Mesev et al. 2009: 900–901). The coincidence of poverty and violence during the Northern Irish conflict becomes especially apparent when we consider patterns of political violence in the region's capital. Of the 3,700 deaths that occurred during the Troubles, almost two out of every five happened in North and West Belfast (Coulter 1999: 73). These neighbourhoods were the most deprived in Northern Ireland during the conflict, and they have retained that unfortunate status throughout the peace process. According to Devlin et al. (2018: 11), no fewer than 18 of the 20 poorest areas in the region today are to be found in these two parliamentary constituencies. Examining the specific patterns of political violence that marked the Troubles suggests, then, an important qualification to that familiar refrain that the traumas of the period were universal in their impact (Kent 2016: 130). While the conflict may well have affected *everyone*, it most certainly did not affect *everyone equally*.

The intimate association between political violence and material deprivation that defined the Troubles would have an important bearing on the discursive construction of the Northern Irish peace process. Those who framed and championed the Good Friday Agreement were aware that ending the conflict would demand a radical turn in Northern Ireland's long ailing economy (Coulter 2014: 746–746). If those communities that had been at the very heart of the Troubles were to turn their backs on violence for good, that would require the provision of economic opportunities that had been denied hitherto. Influential figures in London, Washington and Dublin were, accordingly, keen from the outset to underline that the end of the conflict would usher in an era of sustained prosperity. This discursive connection between political and economic progress was given a characteristically evangelical tone by the British Prime Minister who presided over the signing of Northern Ireland's celebrated peace deal. In May 1998, Tony Blair arrived in Belfast in an attempt to coax wavering voters into lending their support in the forthcoming referendum that would determine the fate of the principal piece of architecture within the Northern Irish peace process. The British premier chose to visit the annual Royal Agricultural Show, allowing him to address an important section of a unionist community that was evidently deeply divided on the Good Friday Agreement. Those who cast a vote in favour of the new deal struck between all but one of the main local parties would in effect, Blair insisted, be saying 'yes to hope, to peace, to stability, and to prosperity'. A ringing endorsement of the new political dispensation would, Blair insisted, signal a 'peaceful and stable future' in which Northern Ireland would come to enjoy the favour and regenerative power of multinational capital: 'I have no doubt that there is a well of economic goodwill and potential inward investment out there just waiting for the right opportunity and the right conditions. Let us turn that prospect into a reality' (Blair 1998).

The at times evangelical faith that influential figures routinely expressed in the potential of the Good Friday Agreement to pave the way to economic prosperity has over time appeared more and more misguided. The much vaunted 'peace dividend' that was promised to those poor communities that endured the worst of the Troubles has simply failed to materialise in any meaningful sense (Knox 2016). That failure is the source of perhaps the most crucial of the multiple forms of stasis that continue to afflict Northern Ireland. For all the changes that have occurred since the advent of the Good Friday Agreement, the region has managed largely to retain its distinctive and iniquitous social-class profile. In that baleful period when it became synonymous with bitter internecine conflict, Northern Ireland existed as a society blighted by deep and durable material inequalities. The two decades that have passed since the region's 'long war' morphed finally into its 'long peace' have served little to alter that abject reality.

The political economy of peace

It is worth remembering that the Northern Irish peace process unfolded in a wider geopolitical context that for some time appeared ideally suited to the cause of economic progress. Those important moments of conflict resolution that culminated in the Good Friday Agreement took place after all against the backdrop of a sustained boom in the world economy (McCabe 2013). The end of the Cold War sparked a historically unprecedented wave of principally US capital seeking opportunities for investment and profit overseas. This surge in foreign direct investment happened, moreover, at a moment when advances in information technology engendered the faith that it was possible to generate economic growth in ways that are ecologically sustainable. As belief in the potentially progressive synergy of capital and technology gained ground in powerful circles in Washington and Silicon Valley, it would lead to claims of the emergence of 'the new economy' (Henwood 2005). The at times fevered optimism of the age was captured best in the publication that gave most explicit voice to a certain fashionable techno-utopian veneration of capitalism. Against the backdrop of a smiley emoticon, the front page of the July 1997 edition of *Wired* instructed readers to prepare for 'the long boom' of '25 years of prosperity, freedom and a better environment for the whole world' (Schwartz and Leyden 1997). And for a decade or so it often appeared that the editors of the journal might just turn out to be right.

If ever there was a time, then, when Northern Ireland might finally experience economic prosperity it was that period in the 1990s when the peace process gathered momentum. The main specific promise of those who had promoted the prospect of a 'peace dividend' was that the end of the conflict would spark an influx of multinational capital from the United States in particular that would in time revive the fortunes of the Northern Irish economy. In the immediate aftermath of the 1994 paramilitary ceasefires, it appeared that this version of events might actually come to pass. During the latter half of the decade, for instance, some €1.5 billion was invested in Northern Ireland by American multinational corporations alone, accelerating an already existing downwards trend in the unemployment rate in the region (The Portland Trust 2007: 23). This initial, promising wave of foreign direct investment would not, however, be sustained beyond the turn of the century. The ongoing weakness of Northern Ireland when it comes to attracting foreign direct investment is illustrated vividly in the record of the state agency established in 2002 with the specific brief of luring multinational capital to the region. As McCracken (2012) has documented, the almost £1 billion that *Invest*

Northern Ireland (NI) spent in the first 5 years of its existence alone led – if jobs lost, as well as those gained, in sponsored companies are factored in – to the creation, on balance, of a mere 328 stable positions. It would seem that the 'well of economic goodwill' towards Northern Ireland that Tony Blair claimed to exist on the eve of the referendum on the Belfast Agreement had a decade later all but evaporated.

While the Northern Irish economy has remained consistently unable to generate or attract a large volume of new jobs, that has not, ironically, prevented a marked decline in the region's historically high levels of unemployment. Once a stark outlier, the ratio of the unemployed in Northern Ireland has over time moved towards the UK norm, even spending some recent years below the national average. In order to explain the apparent paradox of an economy that produces relatively few jobs registering a decline in its jobless total, we need to look more closely at the specificities of the Northern Irish labour market. The metric of unemployment used most frequently in mainstream commentary documents those who are seeking employment but excludes those who are not. As a result, the headline jobless rate provides an inaccurate profile of the labour market in a region like Northern Ireland that has the highest percentage in the United Kingdom of people of working age who are unavailable for work. The relatively high level of 'worklessness' in the six counties may be attributed primarily to a dramatically elevated incidence of physical and mental illness (Joseph Rowntree Foundation 2018: 1). Over the course of the peace process, the proportion of people in Northern Ireland registered as disabled for social security purposes has run consistently at twice the level that exists elsewhere in the United Kingdom. Official figures suggest that as many as one in nine of the region's residents have been entitled to some form of disability allowance over recent years (Rutherford 2016). The markedly higher percentage of people registered as disabled in Northern Ireland owes a great deal, predictably, to the legacy of the conflict. One recent estimate suggests that 15% of the population in the six counties are dealing with some form of psychological trauma arising out of the Troubles (Fenton 2018: 144). The relatively high incidence of such conditions in Northern Ireland is reflected in the fact that one in every four of those registered as disabled are deemed to suffer from mental illness (Tomlinson 2016: 117).

The particularities of the Northern Irish labour market ensure then that certain key metrics generate profiles of economic performance in the region that are inaccurate. As the headline rate of unemployment takes no account of those who are unavailable for work, it tends to understate the true level of 'worklessness' in Northern Ireland. A rather more reliable gauge of labour trends in the region is provided by looking at levels of economic activity, which estimate those in work as a proportion of the population of working age. This register provides a rather less flattering depiction of what is happening in the Northern Irish job market. While the headline unemployment rate places Northern Ireland on a par with the rest of the United Kingdom, the economic activity metric suggests that the true level of 'worklessness' runs a full 7% above the other regions in the state (Gunson et al. 2018: 11; Office for National Statistics (ONS) 2018: 3).

The record of the Northern Irish economy over the course of the peace process has been poor in terms not only of the volume of new jobs created but their quality as well. Relatively few of the positions that have been created over the last two decades have been in high wage, high value added occupational sectors. According to Nolan (2013), three in every five of the jobs that *Invest NI* has brought to the region have been located in 'call centres' (p. 25) and two thirds of these have offered wages below the median for the private sector in general. The attraction of this particular form of multinational investment to Northern Ireland both reflects and compounds its status as a low-wage economy. While Northern Irish people work longer hours than those in any other region (ONS 2018: 2), their gross weekly wages stand 9% below the UK average (Northern Ireland Statistics and Research Agency 2018: 22). This disparity becomes even more pronounced when we look specifically at earnings in the private sector. The universalist ethos of the public sector ensures that those employed by the state in Northern Ireland earn the same as people in equivalent positions in other UK regions, outside London at least. A rather different picture emerges when we consider those working for private enterprises. According to the latest Annual Survey of Hours and Earnings, gross weekly wages in the private sector in Northern Ireland are currently 16% behind the rest of the United Kingdom (Northern Ireland Statistics and Research Agency 2017: 11).

It seems reasonable to conclude then that the 'peace dividend' that was so central to the optimism of the early days of the peace process has never quite come to pass. Over the last two decades, the Northern Irish economy has been unable to generate jobs in sufficient numbers, and of sufficient quality, to alter meaningfully the material conditions of those neighbourhoods that bore the brunt of the Troubles. A combination of high levels of 'worklessness' and low levels of wages has ensured that the multigenerational poverty that consumed working-class communities in Northern Ireland during the conflict has survived into the present day (Joseph Rowntree Foundation 2018). The failure of the 'peace dividend' to materialise might be deemed especially dispiriting given that the Good Friday Agreement took form at a moment when the conditions for an economic renaissance appeared entirely optimal. If the fortunes of Northern Ireland failed to turn during that period of frenetic global economic growth that marked the turn of the century, it was even more unlikely that they would do so once that period of supposedly endless boom gave way, inexorably, to bust.

'Collective worship of the free market'

In May 2007, the devolved institutions that form the centrepiece of the Good Friday Agreement were restored after a 5-year hiatus. The unlikely alliance formed at Stormont by erstwhile foes Ian Paisley and Martin McGuinness would face many of the same challenges that proved the undoing of previous administrations. The new coalition would also be required, however, to operate within a shifting political climate at both national and international level that was rather more demanding than that faced by previous power-sharing administrations. In the first instance, this altered context was the outcome of the critical ideological shifts that had overtaken the British state a generation before finally being brought to bear on Northern Ireland. The arrival of Margaret Thatcher in Downing Street in May 1979 would of course signal a period of radical political change that would leave British society transformed and, in many quarters, traumatised (Gamble 1994). While the Conservative government would pursue its neoliberal strategies ruthlessly in every other part of the United Kingdom, it would never attempt to chart the same course in Northern Ireland. That the region would remain 'a place apart' during the

Thatcher revolution would owe much to its own very specific political economy (Rose 1982). Those overseeing direct rule from Westminster held to the view that the introduction to Northern Ireland of austerity measures imposed elsewhere would precipitate even greater political violence in what was then very clearly the United Kingdom's poorest region. In order to avoid this calamity, successive Conservative administrations maintained public spending and employment at the relatively generous levels more readily associated with the previous age of social democracy (Birrell 2009: 155; Byrne 2010: 63–64). It was in this context that one of the many Conservative 'wets' sent into exile in the Northern Ireland Office, Secretary of State Jim Prior, was moved to observe: 'we are all Keynesians here' (Gaffikin and Morrissey 1990: 87).

The relative generosity of public provision in Northern Ireland would largely survive almost two decades of the Conservatives in office, and it would, ironically, require the arrival in Downing Street of a government ostensibly from the Left for the transition towards neoliberal policies to begin in earnest. One of principal achievements of the Thatcher project was to redraw much of the rest of British political life in its own image. This facility was manifested most keenly in the rebranding of the principal opposition party as *New Labour*. While Tony Blair would seek to give them a certain genial egalitarian and cosmopolitan gloss, the ideas that he advanced and the policies that he pursued bore the same distinctive neoliberal hallmark as those that had come before – hollowing out the social, demonising the poor, fetishising outlandish personal wealth and so forth. It would come as little surprise then when the ideological matriarch Margaret Thatcher identified the *New Labour* leader as the true heir to her political legacy (Temple and Campling 2000).

A central tenet of the Blair philosophy was of course that the institutions of the state would be revolutionised by exposure to the ethos and imperatives of private business (Monbiot 2001). While this conviction was pursued somewhat less vigorously in a Northern Irish context, it would over time become official policy in the region (Nagle 2009: 177). In the period between 2002 and 2007 when the devolved institutions at Stormont were suspended, *New Labour* set about extending in earnest to Northern Ireland the Private Finance Initiative that the party had inherited from the Conservatives but would soon make its own. What was 'perhaps the first substantive act of direct rule' (Hellowell et al. 2008: 9) saw the creation in 2003 of the Strategic Investment Board (SIB) with the remit of involving private corporations in the funding and execution of major infrastructural developments, like the building of hospitals and schools, that had once been the sole preserve of the state. In remarkably short order, this statutory agency would establish a substantial empire and transform the nature of public investment in Northern Ireland. The last annual report of the SIB to appear prior to the restoration of devolution in May 2007, for instance, records that the body had since its inception only 4 years earlier been responsible for the creation of 38 public–private partnerships (PPPs) collaborating on projects with a total value of £5.3 billion (SIB 2007: 8–9).

The growing reliance on private capital to finance public infrastructure projects in Northern Ireland might be seen as emblematic of the very particular direction that public policy came to take in the decade after the signing of the Good Friday Agreement. Unlike its predecessors in the Conservative Party, the Blair government was quick to extend to the six counties those palpably neoliberal strategies that had been introduced throughout the rest of the United Kingdom. As a consequence, by the time the devolved institutions were restored in the early summer of 2007 the ethos and institutions required to advance a certain version of public policy were already firmly in place. While the new coalition forged between Sinn Féin and the Democratic Unionist Party (DUP) might in principle have charted a different course, in practice they proved willing time and again to operate within the specific ideological frame that *New Labour* had set for them (Hughes 2017: 4). The readiness of the DUP to embrace neoliberal strategies wrapped in the language of technocratic efficiency and personal choice would of course come as little surprise. Insofar as the party ever gives any consideration to matters other than the ethno-national preoccupations that inform the 'constitutional question', its impulse is invariably to endorse the most reactionary modes of social and economic policy. It was always entirely predictable then that the DUP would embrace the neoliberal turn that preceded its coming to power in Northern Ireland.

The party's republican partners in government, in contrast, might reasonably have been expected to have adopted a rather more critical stance. Sinn Féin had, after all, styled itself on either side of the Irish border as a socialist party committed to the principle that it is the state and not the market that is the principal guardian of social justice and economic progress. In a tale familiar to many ethno-national movements with ambitions for radical social change, once in office republicans would, however, soon abandon their previously cherished political convictions. Over the decade that Sinn Féin shared power with the DUP, the two parties would often be at odds over the multiple sectarian concerns that have traditionally animated Northern Irish public life. The two parties would invariably be of one mind, however, when it came to what are often termed 'bread and butter' issues. As Brian Kelly (2012: 45) has observed, while the senior parties in the Stormont executive were 'constantly falling out' over matters of ethno-national rights and identities, in terms of social and economic policy they would become increasingly 'ecumenical' in their 'collective worship of the free market'.

This 'rare form of consensus' (Nagle 2018: 404) between Sinn Féin and the DUP would be reflected in their willing embrace of the established dogma that private finance is an indispensable prerequisite of public enterprise. The period in which the two parties shared power at Stormont would see PPPs become a cornerstone of public policy in Northern Ireland. In 2017, as the former partners in government parted company acrimoniously, private corporations were involved in 31 major infrastructural projects in Northern Ireland with a total value of some £1.73 billion (Her Majesty's Treasury 2017). A central founding rationale for the introduction of the Private Finance Initiative had been the supposition that businesses are more efficient than states and hence would guarantee 'value for money' in relation to key elements of public expenditure. This ideological assumption would prove no more accurate in Northern Ireland than it had in the other regions of the United Kingdom (Monbiot 2001). In the spring of 2018, it was reported that while the private loans on existing PPPs amounted to £1.44 billion, the payments on these would reach £5.8 billion over the next 25 years, an interest rate in the region of 300% (Madden 2018). The uncritical introduction of the Private Finance Initiative in Northern Ireland has served, therefore, not to bring about savings and efficiencies in state spending as was promised but rather to redirect vast quantities of public money into the coffers of private corporations.

The meeting of minds between Sinn Féin and the DUP suggested by their mutual enthusiasm for PPPs was illustrated even more keenly in their strategy for luring multinational corporations to Northern Ireland. A central article of faith between the two parties in government was that the performance of the local economy had been impeded by the relatively high levels of corporation tax obtaining throughout the United Kingdom. If Northern Ireland were given the opportunity to adopt the same 12.5% rate as the Irish Republic, the argument went, the region would finally be able to compete successfully for transnational investment (Murtagh 2018: 444). In time, it might even come to replicate the remarkable success of its neighbour, which currently hosts the overseas headquarters of 9 out of the top 10 multinational corporations in the areas of both pharmaceuticals and information technology (Kinsella 2014). The simple faith that Sinn Féin and the DUP placed in what O'Hearn (2008) has termed the 'magic bullet' (p. 112) of slashing corporation tax was of course misguided from the very outset. Those advocating this policy option chose to overlook the very real changes in the global and European context that have taken place since the Irish Republic embarked on such a path. As the Berlin Wall fell, Ireland was able to tap into an unprecedented flow of global capital by positioning itself as an economy with a highly skilled and, initially at least, relatively low paid workforce that offered a gateway to a European Union whose boundaries had yet to enlarge. Three decades on, the global economic environment looks entirely different. It is difficult to imagine how, under current circumstances, Northern Ireland might even begin to repeat the success of its neighbour in attracting the levels of investment that were the catalyst for the Celtic Tiger boom. The region is after all seeking to draw multinational capital from a stream diminished by the global financial crisis and competing in an enlarged Europe with countries that have rather lower wages and, in some instances, even lower rates of corporation tax than the one the Stormont executive had set its heart on. While this proposed change in fiscal policy was unlikely to have initiated a wave of transnational investment arriving in Northern Ireland, it almost certainly would have led to major cuts in public spending in the region. One estimate suggests that cutting corporation tax to 12.5% would reduce the budget available to any Stormont executive by as much as £400 million each year (Horgan and Gray 2012: 475). The most likely outcome of the *one big idea* that seemed to conjoin Sinn Féin and the DUP during their time in office would, therefore, appear to have been a period not of renewed economic opportunity in Northern Ireland but rather one of even greater material deprivation.

'A disturbingly high representation'

When the Stormont institutions were restored in the early summer of 2007, therefore, the coalition partners faced a national context in which the policy agenda had moved palpably in a neoliberal direction. The new coalition government in Belfast would also encounter an international context that had changed utterly since the previous, ill starred attempts at power-sharing in Northern Ireland. As the beaming figures of Paisley and McGuinness assumed office, the crisis long since latent within global capitalism was coming to a head. Little more than a year later, Lehman Brothers would become the largest firm ever to go bankrupt in US corporate history and herald the onset of the most severe crisis in the world economy for 80 years. In short order, a global recession that owed its origins to deregulated financial markets would come to be attributed to supposedly excessive levels of state spending (Blyth 2013). This ideological sleight of hand would prepare the ground for austerity programmes designed to accelerate the project of hollowing out the social at the heart of the neoliberal orthodoxies that had held sway over the three previous decades (Coulter et al. 2017).

The onset of the global economic crisis saw the return in 2010 of the Conservative Party to power after 13 years in opposition. One of the keynote policies advanced by the Conservatives and their junior coalition partners the Liberal Democrats gave form to the by now hegemonic fiction that the recession had been caused not by the $20 trillion (McNally 2012: 2–3) that states had given to bail out the banks but rather by the comparatively trifling sums that governments had spent to ensure that their most vulnerable citizens might live with a little dignity. In 2012, the coalition passed the Welfare Reform Act, a sequence of measures that eliminated certain crucial modes of social security and placed bureaucratic obstacles in the path of those that remain. In view of the relatively high levels of dependency on state benefits in Northern Ireland, it was inevitable that the introduction of these draconian measures would have an especially severe impact in the region. Indeed, in their account of the new welfare legislation, Beatty and Fothergill (2013) note that there is 'a disturbingly high representation' (p. 20) of Northern Irish constituencies among those most badly affected by the legislation. To give some sense of the scale of the impact of the 'reforms' in a region as poor as Northern Ireland, estimates suggest that the measures introduced would see someone previously on incapacity benefit lose £3,500 a year and claimants of what was previously the Disability Living Allowance lose £2000 annually (Beatty and Fothergill 2013: 14).

The matters of social security covered in the 2012 Welfare Reform Act are among those devolved to the Stormont parliament, and hence, there was the prospect that Northern Ireland might be spared its provisions. The London government made it clear from the outset, however, that the new regime was to apply throughout the United Kingdom and that financial sanctions would, if necessary, be deployed against the Belfast assembly to ensure that outcome. The draconian stance adopted in Westminster would pose few problems for one of the coalition partners in the Northern Ireland Executive. As a party leaning to the right politically and working no doubt on the outdated assumption that the casualties of the new legislation would overwhelmingly be nationalists, it came as little surprise that the DUP would greet the prospect of massive cuts in social security with open arms. The advent of the Welfare Reform Act would, however, represent a rather greater headache for their partners in government. While the peace process has seen the republican movement secure growing middle-class support (Nagle 2018: 402), its centre of gravity remains in those working-class nationalist districts that formed the epicentre of the Northern Irish Troubles. Given that the impact of 'welfare reform' was likely to impact most gravely on those communities that represent the electoral bedrock of Sinn Féin, it was to be anticipated that the party would throw its energies into opposing the new legislation. And that is certainly the role in which republicans have been keen to cast themselves. The routine claims of Sinn Féin to be resolute opponents of austerity either side of the Irish border have been readily endorsed by commentators sympathetic to the republican project (O'Leary 2018: 228; Tomlinson 2016: 105). If we trace the narrative of how 'welfare reform' came to Northern Ireland, however, a rather more complicated, and less flattering, picture of how the party conducted itself while in office begins to emerge.

Although it was Sinn Féin that would ultimately bring down the Stormont institutions in January 2017, it often appeared to be the rather more enthusiastic party to Northern Ireland's latest experiment in consociational government. In the decade during which they shared power with the DUP, there was the clear impression that republicans were becoming ever more invested in the healthy functioning of institutions they had once engaged in 'armed struggle' to destroy. This sense of investment was especially apparent in the disposition of someone widely understood to have previously been the long standing leader of the Provisional Irish Republican Army (IRA). In his time as Deputy First Minister, Martin McGuinness would show a genuine commitment to the peace process, prompting a sequence of reconciliatory gestures that would begin to stretch the patience even of a republican community in which he was widely revered (Nagle 2018: 405). The commitment of republicans to maintaining the Stormont institutions would inevitably require of them a series of political compromises. One of these would see Sinn Féin adopt a strategy towards 'welfare reform' that would ultimately prove deeply at odds with the party's representation of itself as a steadfast opponent of austerity.

Initial attempts to pass the 2012 Welfare Reform Act through the Stormont assembly would once again cast light on the ideological schism dividing the two parties then governing Northern Ireland. The refusal of Sinn Féin to support the enabling legislation added yet another to the growing body of issues dividing the coalition partners. As the relationship between the two parties deteriorated apace, two rounds of prolonged negotiations were initiated – one in the autumn of 2013 hosted by the US diplomatic figures Richard Haass and Meghan O'Sullivan, the other a year later overseen by the British and Irish governments – in an attempt to break the political logjam. In November 2014, it was announced that the local parties had approved a document that would, hopefully, provide the basis for stable government in Northern Ireland. In a certain sense, the signing of the Stormont House Agreement might be considered a pivotal moment in recent Northern Irish history. It was, after all, the first time that a political deal had been struck in the six counties where issues of social class were at the very front of the agenda, albeit in an entirely reactionary way. The text of the Stormont House Agreement registered a commitment both to implement the 2012 Welfare Reform Act and to support 'public sector reform' in the guise of job cuts. While the deal promised the release of £2 billion in additional funds from central government, that figure would soon have been overtaken by the public spending cuts envisaged elsewhere in the document (Nagle 2018: 407).

Among the signatories to the neoliberal charter that was the Stormont House Agreement was of course Sinn Féin. In choosing to endorse the deal, republicans had now committed themselves in practice to policies they had long since claimed to oppose as a matter of principle. This political change of heart appeared to be confirmed at a meeting of the Northern Ireland Executive in January 2015 when Sinn Féin joined forces with the DUP to force through a budget that would allow both for welfare cuts and redundancies in the public sector. The votes cast by republican Ministers at Stormont inevitably drew criticism from various sources. In the early weeks of 2015, Sinn Féin found itself in the unaccustomed position of being outflanked by its main rival for the nationalist vote, the Social Democratic and Labour Party (SDLP), which had adopted a consistent position of opposition to 'welfare reform' (Gilligan 2016: 42). More importantly perhaps, the parliamentary party at Stormont faced considerable disquiet among the grassroots movement, which came to the fore at the Ard Fheis (annual conference) in Derry held in early March. The mood among the party rank and file appears to have been sufficient to have induced a further *volte face* on the part of the Sinn Féin leadership. On 9 March 2015, 2 days after the Ard Fheis concluded, business resumed at Stormont where it was widely expected that the 2012 Welfare Reform Act would enjoy the support of both main government parties, allowing it to pass comfortably through the assembly. Chastened perhaps by recent developments, the Sinn Féin members in the chamber caught their coalition partners off guard by voting against the proposed legislation (Gilligan 2016: 42). Amid a welter of mutual recrimination, relations between the two parties degenerated even further, requiring yet another round in Northern Ireland's seemingly endless cycle of political negotiations.

The outcome of this latest sequence of talks was a new deal struck barely a year after the Stormont House Agreement had been finalised. If anything, the text of *A Fresh Start* offered even greater licence to the neoliberal policies that were anticipated in its predecessor. The document allowed for both the reduction of corporation tax in Northern Ireland to 12.5% and the loss of almost 7,500 jobs in the public sector. In a society where even now more than one in four people work for the state (Gunson et al. 2018: 7), the level of redundancies envisaged in *A Fresh Start* represented an enormous loss. To give some sense of the scale here, an equivalent number of redundancies in Great Britain would see around 270,000 public sector workers lose their jobs at a stroke. The new agreement brokered among the local parties also stipulated the introduction, once more, of the 2012 Welfare Reform Act. Various provisions were included to mitigate the impact of wholesale cuts to social security in Northern Ireland. An additional £585 million was to be made available from existing funds to 'top up the UK welfare arrangements' and there was to be no extension of the controversial 'bedroom tax' to the six counties. A review was promised for 2018–2019, but the most reasonable supposition was that beyond that year the welfare system already in place in other regions of the United Kingdom would, more or less, become that which prevails in Northern Ireland.

While the text of the new agreement insisted that 'welfare reform' will happen in Northern Ireland it envisaged a rather different mechanism for bringing this about. Mindful no doubt of the previous failure of the assembly to ratify the 2012 Welfare Reform Act, those who framed *A Fresh Start* were evidently unwilling to leave matters to chance this time around. Under the terms of the new deal, Stormont was required to cede the power to introduce the relevant legislation to Westminster (Wilson 2016: 103). On 18 November 2015, the Northern Ireland assembly agreed by a margin of 70 votes to 22 to allow the British parliament to legislate on 'welfare reform', a matter that falls within its own remit of devolved powers. While strong opposition to the move was voiced by figures from political parties ordinarily less radical on such matters, all of the Sinn Féin members present voted in favour. A mere 5 days later, Westminster passed the relevant legislation and the 2012 Welfare Reform Act become a dread reality for hundreds of thousands of people in Northern Ireland.

Retracing our steps through the saga over 'welfare reform' offers a sense then of how the professed radicalism of Sinn Féin has been compromised by the pursuit of power in Northern Ireland. Although adopting an explicitly anti-austerity stance, the party signed up to two different political agreements that require the erosion of essential forms of social security and was even prepared to suspend the authority of the government in which it sat in order to secure that eventuality. We are faced then with two remarkable ironies. Not only is Sinn Féin the 'socialist' party that endorsed the introduction of welfare cuts in Northern Ireland, it is also the Irish 'republican' party that ceded power to the British parliament in order to ensure they would come into being. This all too familiar drift to the right on the part of a once radical ethno-nationalist movement would for a brief moment create the conditions of the possibility of a different, more progressive mode of politics in Northern Ireland.

The acquiescence of Sinn Féin in the face of Westminster demands for 'welfare reform' added the final component to the neoliberal consensus that came to define the era of restored devolution at Stormont. While the coalition partners would continue to bicker endlessly over the dog-eared demands of ethno-national competition, they would time and again find common cause in slashing corporation tax, privatising public services, eliminating state jobs and imposing ever greater misery on the poorest sections of Northern Irish society. As the austerity measures implemented by the Stormont executive took hold, it was possible that growing public resentment might give rise to new forms of political opposition. The long avowed 'socialism' of the republican movement made Sinn Féin especially vulnerable of course to any prospective public backlash.

In the weeks that followed the introduction of welfare legislation, there existed in Northern Ireland a historically unparalleled set of political circumstances. For the first time, the region was experiencing sustained and perhaps even sustainable devolved government that entailed representatives of *both* ethno-national traditions implementing austerity measures whose impact was felt on *both* sides of the sectarian divide (Coulter 2014). As the effects of the neoliberal consensus at Stormont became ever more painfully apparent, conditions in Northern Ireland became altogether more conducive to the emergence of dissenting political voices seeking to privilege issues of social class over those of ethno-national affiliation. The kindling of a socialist alternative would become evident in the elections to the Northern Ireland assembly held on 5 May 2016, a mere 6 months after the introduction of the new draconian welfare regime in the region. In the Foyle constituency, veteran campaigner Eamonn McCann finally broke an electoral duck stretching back over half a century to secure a seat for the People Before Profit Alliance (PBPA). The grouping would taste further success, more significantly, in the republican heartland of West Belfast. Building on a previous sequence of promising performances, the young activist Gerry Carroll would astonish most political commentators by securing 8, 299 first preferences and topping the poll ahead of an evidently disgruntled Sinn Féin. This widely unanticipated electoral success for the Left marked a turn in Northern Irish political life that has no little historical significance. It meant that when the Stormont assembly resumed a week later, Northern Ireland would, for the first time since the start of the Troubles, be run by a devolved legislature that included individuals prepared to identify themselves as 'socialists' without feeling the need to add the prefix 'republican'.

It is often tempting to amplify the importance of those political developments we deem to be progressive, and the 2016 Northern Ireland assembly elections represent a case in point. Socialist candidates standing for office, after all, ran in only three constituencies and received a total of fewer than 14,000 votes. While the return of two socialists to the Stormont assembly certainly did not break the mould of Northern Irish politics, it did perhaps illustrate that the field of political possibility in the six counties was beginning to broaden. Had the coalition of parties that resumed government in the early summer of 2016 served out its full term, there was every prospect that the ground might have become more fertile still for the Left. In particular, the ever more injurious impact of the 'welfare reform' measures facilitated and then implemented by Sinn Féin and the DUP would have given greater resonance to the argument that it is social class and not sectarian background that represents the principal arbiter of the manifest inequalities blighting Northern Ireland. In this shifting ideological context, space might well have opened up for a more substantial and sustainable challenge from the Left. A herculean task admittedly, but one that was perhaps not entirely beyond the realm of political possibility.

Such speculation about the possibility of progressive politics in Northern Ireland would soon be rendered moot of course by the actuality of regressive politics elsewhere in the United Kingdom. A mere 7 weeks after two socialists took their places on the benches of the Stormont assembly, a slim majority of the British electorate voted to leave the European Union. The prospect of Brexit has, predictably, seen the already narrow ground of Northern Irish political life become even more circumscribed. Ongoing speculation about what will happen to the Irish border when the United Kingdom leaves the European Union has prompted a debate over the future of Northern Ireland that has reached a historically unparalleled pitch (Murphy 2018). Amid all the noise that has come to surround the 'constitutional question', those voices that seek to draw attention to crucial issues of social class are increasingly drowned out. As the space that opened up in response to the neoliberal turn at Stormont has begun to narrow again, socialists have seen their already limited electoral appeal begin to evaporate. In the March 2017 assembly elections held in an attempt to revive the devolved institutions that collapsed 2 months before, the PBPA was unable to repeat its success in Foyle, a victim of the reduction of assembly seats in each constituency from six to five. Gerry Carroll would retain his seat in west Belfast, but on this occasion he was forced into fifth place. Buoyed by their strong performance in the previous assembly election, the PBPA had added a running mate to the ticket in the republican citadel. The combined vote of the two candidates would, however, fall some 2,300 votes short of the total Carroll received when running unaccompanied the year before. Worse was to come in the snap Westminster election held 3 months later. On this occasion, Carroll polled 4,312 first preferences, a creditable return but one that was only half of the number of votes the PBPA candidate had secured in the assembly election barely a year before. As with many others before, this gifted young activist had run up against the stark reality that when the sap of ethno-national feeling rises in Northern Ireland, among the first casualties is the space available to socialist politics.

Conclusion

For all the undoubted progress that Northern Ireland has made since the signing of the Good Friday Agreement, it evidently remains a society defined by sharp and enduring levels of material inequality. While those who framed the deal promised there would be a 'peace dividend', two decades of economic stagnation compounded by the onset of austerity have produced an entirely different reality (Bradley 2018: 327). The statistics documenting the level of deprivation in contemporary Northern Irish society make for genuinely harrowing reading. At present, there are, for instance, some 110,000 children living in poverty in the region (Joseph Rowntree Foundation 2018: 2), more than 200,000 individuals registered with some form of disability and almost 30,000 people who are reliant on food banks for their survival (Wilson 2016: 37). What is striking about the poverty that exists in Northern Ireland is not merely its scale but also its inability to make any real impression on mainstream political debate. While those politicians who exercised power at Stormont until recently seemed constantly at odds over the often rather immaterial concerns that are the sign of a society fractured along ethno-national lines, they rarely appeared even remotely as exercised by the starkly material concerns that are the hallmark of a society fractured along class lines. In the 1999 special edition of *Capital & Class* to which this collection is a successor, this author expressed some scepticism that the peace process would see the emergence in Northern Ireland of a political project privileging issues of social class that would prove capable of challenging, and perhaps even besting, the siren call of ethno-nationalism (Coulter 1999). Twenty years on, the pessimism of that original article scarcely seems out of place. The cause of class politics in Northern Ireland remains just as important as it ever was but also, alas, just as elusive.

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