

Radical Options for Scotland & Europe



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SCOTTISH PARLIAMENT TO CONSIDER ROSE PETITION FOR RETURN OF ECONOMIC POWERS

COVID CRISIS INCREASES URGENCY

The petition lodged by Vince Mills on behalf of ROSE, PE1801 Retain Powers of Economic and Industrial Intervention, will be considered by the Scottish Parliament over the coming months.

Mr Mills now stresses that the Covid emergency has given even greater urgency to the issue. 'This crisis has exposed the parlous state of our industrial capacity and supply chains. The consequences of the virus for our local and regional economies are likely to be dire unless there are powers for economic and industrial intervention lodged with the Scottish Parliament.

'There is now a window of opportunity to secure a change. On it will depend whether Scotland does at last have the capacity to build a new infrastructure to combat climate change, to harness green energy and use its scientific expertise in life sciences to prepare for new medical emergencies. – and to do in a way that enhances workers' rights.

Scottish Secretary of Unite Pat Rafferty has written in support: 'it is vital that Scotland is able to retain the power to provide state aid to workplaces threatened with closure. Indeed Unite has campaigned for this outcome to become a legal consideration in the first instance following recognition that a business is in difficulty and may face closure.'

'Further, Unite policy is in favour of various forms of public ownership - such as the nationalisation of public utilities, municipal ownership of buses etc. - and believes that Scotland's citizens would benefit if these utilities were in public ownership. Finally, Unite firmly believes that in order to fully support fair work, employers including public sector contractors and sub contractors, should recognise trade unions and bargain workers pay, terms and conditions through collective bargaining.'

Mr Mills stresses that it is vital that the Scottish Government intervenes quickly on fishing rights and the EU's neo-liberal competition terms.

EU bows before neo-liberal pressure: only limited aid for Southern Europe



The EU Council of Ministers meeting on 23 April avoided an open split on the issue of aid for Southern Europe and the other EU economies worst hit by the virus.

It was agreed that the existing aid package of 0.5trillion euros be used to 'lever in' another 0.5T euro to a total of 1T euro. It was left to the EU Commission to work out how this would be done – whether by additional grants or as security for loans. Italy and Spain were adamant that they did not want loans – least of all with conditions imposed for repayment. The additional 0.5T euro is equal to about 4.5 per cent of EU GDP.

30 percent of GDP for German recovery

This level of EU-backed support is to be contrasted with the special provisions already made by the German government for Germany itself. The funds allocated equal 30 percent of Germany's GDP. The US (Federal Government plus Federal Reserve) has allocated \$6T, also equalling 30 percent of US GDP. Britain (Government plus Bank of England) has allocated £0.5T to finance recovery equalling 24 per cent of Britain's GDP.

We say

Covid19 has demonstrated two things beyond challenge. First, that our well-being and our lives depend on actual people, on their skills, knowledge and commitment. Second, that their ability to protect us depends on our society's past investment in those skills and the equipment, medicines and facilities required.

There is therefore a third obvious conclusion: this investment has been criminally inadequate. The cuts implemented over the past generation have been criminal and the failure of our democratic institutions has been criminal. As a result our society has been stripped bare of what is needed for our survival. And this was done to bail out banks and salvage corporate profitability.

Powers over our economic and social lives

This is why the ROSE petition currently before the Scottish Parliament is so important. It calls for the key powers over our economic life to be repatriated to the Scottish parliament. It is about actively **developing our collective democratic powers over those of corporate capital.**

It is all too obvious that these powers will be needed as never before. As in 2010, demands will be made for the repayment of the monies spent to meet the crisis.

The Director of the IMF has already said this: that Britain's 20 per cent jump in national debt will have to be brought down either by higher taxes or cutting public expenditure. Austerity will continue – and intensify.

On this occasion, however, the consequences will even more severe. The virus lockdown has already done great damage to small business, the voluntary sector and to higher education. Many workplaces may not re-open. The big retail chains will take full control. So will a few big firms like Amazon, Ineos and Iberdrola (owner of Scottish Power). Post-crisis austerity will, unless halted, complete the job of destroying what remains of our locally-based regional economies.

Public ownership the only guarantee for democracy

The ROSE petition, which follows the terms of the motion adopted by the 2019 STUC conference, demands powers for the Scottish Parliament to redevelop local and regional economies: to provide State Aid, including the ability to take shareholdings, to control public procurement, to secure comprehensive public ownership and to require sectoral collective bargaining and union recognition.

These are critical powers. They are about asserting the rights of democracy against those of 'the market' – behind which hide the interests of private capital (today meaning VERY big business) – and enabling local and regional communities to be able to control the resources that will determine their future.

These powers are currently the main issues at stake in the negotiations between Boris Johnson's government and the EU.

It is therefore vital that these powers - currently barred by EU competition terms - are a) not bartered away by Johnson to protect the interests of the City of London and b) made available to the Scottish Parliament.

It's our democracy that's at stake.

Lack of EU solidarity in coronavirus pandemic

Frieda Park



Since mid-March, China has delivered millions of masks and test kits to EU countries to help fight Covid-19, as well as to countries around the world. But this aid has been dismissed as the “politics of generosity” by the EU's Foreign Minister Josep Borrell, who said a “global battle of narratives” was being played out. “China is aggressively pushing the message that, unlike the US, it is a responsible and reliable partner,” he said.

Borrell's politically loaded ingratitude seems especially shabby given the EU's refusal to help Italy when it requested face masks through the EU's Civil Protection Mechanism. As Italy's appeals for help fell on deaf ears in the EU, it brought in doctors from Cuba and medical supplies from Russia and China. Some of these supplies were impounded by the Czech Republic en route. This prompted Lombardy's Health Minister to castigate the EU for its lack of support. As Serbia's President, Aleksander Vucic, said, EU solidarity is a “fairy tale”.

Coronabonds

Weeks into the pandemic, on 8th April, EU talks aimed at supporting the poorest and some of the worst hit nations broke down over the reluctance of some of the wealthier ones to provide the financial assistance needed. Germany and the Netherlands were resisting the creation of mutualised “coronabonds” which would help the worst hit countries and share the cost of repaying the debt across the whole EU. Instead they want to apply the same punitive measures to countries borrowing in this health crisis as were applied during Greece's bailout. Whilst a package of aid was agreed but goes nowhere near meeting the needs of the worst hit countries.

Germany has absolutely refused to countenance any measures that would spread the debt burden and relieve countries most in need. Pedro Sánchez, Spain's Prime Minister, has warned that if the EU fails to help countries indebted by coronavirus then the bloc could “fall apart”. The Italian Prime Minister has made similar statements. Meanwhile the President of its Scientific Research Council has resigned over the EU's failure to have a plan to fight the virus.

The EU summit on 23rd April failed to reach any significant agreement with Germany and the Netherlands insisting on loans to stricken countries rather than grants. Agreement may not be reached till mid-May, though the outcome of this still might not be positive. As talks drag on several countries remain in a desperate situation.

Another side to this has been the relaxation of the EU rules banning state aid. This has disproportionately benefited the stronger economies as they have more cash to help out businesses. Germany has accounted for 52% of the state aid approved, around twice its share of the EU economy.

EU social solidarity has been shown to be strictly subordinated to the needs of German capital. It has exposed the unequal relationships of member states. Like the rich and poor in populations so richer and poorer states are not in it together.

During the pandemic the EU has also turned its back on the refugees that it warehoused in refugee camps in Turkey and Greece. Conditions in these camps mean that there is a coronavirus disaster waiting to happen. Member states have failed to live up to promises to take their share of refugees from Greece. The contempt for the suffering of those fleeing war and devastation was expressed by European Commission President, Ursula von der Leyen, who praised Greece for being the EU's border 'shield' after their police teargassed and brutalised thousands of refugees on the Turkish border.

In short there has been no social solidarity in the EU during the coronavirus crisis. This tells us a lot about the nature of the EU, its power differentials and priorities.

JOHNSON REVEALS HIS NEO-LIBERAL PLANS

The government's Trade Bill was published in January. It contains a series of proposals that will incorporate neo-liberal provisions into British law and in doing so block the ability of future British and National governments to intervene economically.

- *Government Procurement*: ratification in British law of 20 EU agreements, covering 48 WTO members, enabling private sector bidding for £1.3T of public procurement contracts
- *Trade Remedies Authority* to protect British businesses from unfair competition (state aid, tariffs)
- *Transfer of EU Third Party trade arrangements* into British law: will cover CETA but not any new agreements concluded by the EU post 31 January 2020 – such any future EU treaty that might be concluded with the US

Free Ports

The government's discussion paper on Free Ports was published in February Command Paper CP 222). This proposes the establishment of Free Ports in England, Wales, Scotland and NI. Depending on the legislative powers of devolved administration, and their acquiescent in these proposals, Free Ports would be established with the following privileges:

- The ability to import goods without tariffs and either resell without tariffs overseas or to sell within the UK finished products, manufactured in free ports, without paying tax on the components
- The relaxation of planning procedures
- The provision of infrastructure by the British government (roads etc)

There is no mention of legal protections for labour or Health and Safety – or equally of their suspension.

The document makes it clear that Free Ports will be a private sector driven initiative. It welcomes the fact the most port areas in the UK are privately owned. It sees the purpose of Free Ports as attracting new private investment from overseas or from within Britain.

Phil McGarry, Chair of ROSE and RMT political officer in Scotland, comments that the proposal seems to be open to exactly the same objections as Enterprise Zones in the past. The Enterprise Zones simply resulted in the short term relocation of firms in order to gain subsidies. They secured very little new investment.

Barnier says negotiations 'not between equals'



After the round of negotiations ending on 24 April the EU Chief Negotiator Michel Barnier said Britain was mistaken if it thought that the negotiations were between 'between equal partners'. One was a massive trading bloc. The other a single nation.

'We need genuine progress by June if, at the end of this year, we want to strike an agreement which is commensurate to the level of our economic interdependence and geographical proximity.'

He identified four areas in which progress was 'disappointing': the level playing field, what kind of access the UK could have to the European single market), justice and fisheries.

A British spokesperson said they were "ready to keep talking" but some of the EU's proposals were "unprecedented" and did not account for the UK as "an independent state".

'Well short of recent Free Trade Agreements'

The EU's trade proposals fell 'well short of recent precedents set by Free Trade Agreements it has agreed with other sovereign countries. This considerably reduces the practical value of the zero tariff zero quota aspiration we both share.' The UK government highlighted "significant differences of principle" in areas including the level playing field and fisheries.

AFFILIATE TO ROSE

Individual membership is £5; local organisation £10; Scottish level organisation £50

Name _____

Address _____

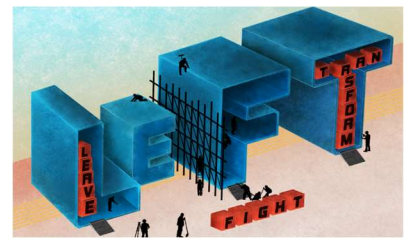
Fee _____

Cheques payable to SCAEF: Jim McDaid, 41 Craufurd Ave, West Kilbride KA23 9PD

Current affiliates include Scottish Unite, Unison and RMT and Trades Union Councils for Glasgow, Dundee, West Lothian, Mid Lothian, Fife, North Ayrshire, Dumfries, Clydebank and Kilmarnock & Loudon.

Vice Presidents include Elaine Smith MSP, former Labour MEP Alex Smith and former deputy leader of the SNP Jim Sillars.

THE CONTINUING FIGHT AFTER BREXIT DAY – STATEMENT FROM LEAVE FIGHT TRANSFORM (LeFT)



As the dust settles after Britain formally left the EU on the 31st January, the task for socialists remains the same: to work to raise working class consciousness, and to arm our movement and our class with the necessary weapons in the struggle ahead. What context Britain outside the EU provides, and where the likely terrain for the battle will be, are questions we must seek to answer, and ones in which the LeFT Campaign aims to play a part.

Brexit Day is only a prelude to at the very least 11 months of Tory-EU negotiations to agree a new trading arrangement.

It's very likely that this will provoke further crisis in Britain's ruling class, as the Tories try to negotiate with Brussels and Washington simultaneously. Regarding the latter, the mooted ambition is a trade deal with the US, but that is difficult, and is unlikely to happen before the presidential election in November. There are already signs of US-UK tensions, exacerbated by the furore over Huawei's role in Britain's 5G network.

Johnson wants to be free to engage in state investment. That requires a 'Canada-plus[1]' deal with the EU. This new vision, brought on by economic necessity and the wishes of a section of British capital, as well as by the political reality of how Johnson won his majority, is rather different from the delusional, harking back to empire vision beloved of Tory Brexiters in the European Research Group. This will potentially create further tensions in the UK's first party of capital.

For its part, the EU doesn't want to set up barriers to trade, or allow Britain to gain competitive advantage by using state aid for investment in key manufacturing sectors.

Pascal Lamy, former WTO Director General and EU Trade Commissioner, told the BBC this week that forthcoming negotiations between the EU and Britain will be the first in history where both parties began with frictionless trade and discuss what barriers to put up – and this is in the context of EU power brokers being historically opposed to such measures. All this points to a set of contradictions that will provide an opportunity for the left, providing we fight Johnson with full knowledge of the context of the struggle, which is that we have a Tory government that is going to try and use its initial period to address, however inadequately, the concerns of the people who lent it their vote, while attacking trade unions and tacking further right on social issues and upping the 'culture war' that has so weakened political discourse and undermined class unity in recent years. In doing that it will embolden forces to its right, and worsen the racist hostile environment that it has done so much to foster.

Responding to that cannot mean arguing to keep alignment with the EU, as John McDonnell argued on the Andrew Marr show on Sunday 2 February. There are three principal problems with the position that he articulated:

- It would stymie the parliamentary left and any future Labour government, and give succour to the left's enemies, and those responsible for the election loss.
- It fails to understand whatsoever the political context, and hopes for a future of rebuilding industry and prosperity in regions blighted by deindustrialisation and will help not one jot with rebuilding the left in the so-called 'Red Wall'.
- It is not going to happen. The Tories have a large majority. As is obvious from the lack of pressure coming from the corporate media, capital is confident that it can cope with whatever happens in post-Brexit Britain,

providing the City of London's banking and financial interests are kept safe. We in Leave – Fight – Transform, the LeFT Campaign need to continue to make the case for what can be achieved outside the EU and to fight to rebuild the left in our communities in all of Britain.

The LeFT campaign:

- Acknowledges that this will require a united left, one in which how people voted in 2016 does not define them. Remain and Leave are finished. This will require us to continue to make the correct analysis, both of the actual concrete reality of the EU, and of the tactics needed to rebuild an independent, fighting left.
- Will fight for workers' rights in post-Brexit Britain. As part of this, we will continue to make the case that our rights are not dependent upon workers' relationship with the EU, but on the strength of our movement.
- Will, in the context of a new and unpredictable terrain, fight for full social and political rights for migrant workers in Britain, demand an end to the discriminatory treatment of non-EU migrants to Britain and continue to call for an end to Fortress Europe. This is the path to international working class unity
- Will build solidarity with the working class movement across other EU member states, in particular with socialists looking to develop a case for exiting.

THE COVID EMERGENCY AND INTERNATIONAL SOLIDARITY ACTION



Cuban Flag flies from a rooftop in Italy

Germany and France unilaterally banned the export of PPE to other EU countries on 4 March. In response to the resulting criticism, the EU Commission intervened to place a ban on the export of all PPE and other Covid related items to the rest of the world on 12 March.

The first medical team to provide assistance in Italy arrived from Cuba on 23 March. A subsequent team arrived from China together with PPE, test kits and ventilators.

Cuba has sent medical teams to 14 countries and China to 10. China has supplied free PPE and test kits to 130 countries. In total China had by 20 April exported 3.8 billion facemasks, 37 million protective suits, 2.4 million thermometers, 16,000 ventilators and 2.84 million test kits.

Rose website

www.radicaloptions.scot

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Whatever Happened to the Repatriated Powers?



Vince Mills

Now that the UK has left the EU, it has regained powers over previously delegated areas such as customs, movement of EU citizens and consumer protection. Other powers being repatriated cover responsibilities that are devolved to the Scottish Parliament, such as agriculture, fisheries, public procurement and environmental standards.

The extent to which EU regulations will apply, for example on procurement, very much depends on the agreement reached between the EU and the UK, an agreement almost certainly to be delayed because of the Coronavirus crisis.

'Exclusive Competence' for UK Parliament

As it stands The European Union (Withdrawal) Act 2018, converts existing EU law into UK law. However, it prevents the Scottish Parliament from legislating contrary to this body of law. This means that the UK Parliament keeps exclusive competence over retained EU law, which would cover all areas of decision-making being repatriated from Brussels. The argument from the UK government is that policy differences within the UK in areas where EU law has previously provided a common legal framework, could cause confusion and disruption.

According to the UK government, restriction on the Scottish Parliament's competence is temporary. However, agreement has not yet been reached on the framework for resolving the allocation of power and there is a real danger that areas of competence like fisheries could be used by the British government as part of 'trade offs' with the EU in its efforts to reach a deal.

'Not a Single Framework has reached the fourth phase'

The EU Withdrawal Act obliges the UK government to give quarterly progress reports on common framework development. The fifth was published in October 2019.

The delivery plan for common frameworks, according to the Institute for Government, has five phases: Principles and proof of concept, Policy development, Review and consultation, Preparation and implementation and Post-implementation, but not a single framework has reached the fourth phase yet despite an agreement that all frameworks should be done and dusted and the majority implemented by the end of 2020.

It would appear that the SNP may be hoping that failure to agree might mean that at the end of the transition period these powers would return to Scotland in an undiluted form, or remain a source of ongoing grievance. Negotiations then, for example on access to fishing grounds, would put the Scottish government in a powerful position but increase tensions between Scotland and the rest of the UK.

In March 2019, Michael Russell, Scotland's Brexit Minister seemed to reject the very basis of negotiations arguing that: "the Scottish government is refusing to have any truck with the UK government's invented concept of the supposed needs of some non-existent 'UK single market'".

The danger here from a Left point of view is that it is possible that without agreement Westminster will legislate to retain powers over these areas removing the Scottish Parliament's capacity to use them in a progressive way.

We must ensure that these powers are returned to the Scottish Parliament but that based on the principles of subsidiarity on solidarity everyone in the UK benefits from their return

Vince Mills is Chair of the Scottish Labour Party Campaign for Socialism and Joint Secretary of ROSE

THE BATTLE OF THE FLAGS IN WEST RENFREWSHIRE

Report from the frontline by Councillor Andy Doig

The furore over the UK leaving the EU on 31st January this year led to a rear-guard action by desperate Remainers to keep the pro-austerity EU flag flying over many town halls on the dubious pretext it was also the flag of the Council of Europe.

This however did not happen at Renfrewshire Council on 27th February where ROSE supporter, and Independent politician, Cllr Andy Doig, constructed an alliance of Labour Lexiteers and Tory Brexiteers, to defeat an SNP/Liberal Democrat motion to keep the EU flag flying post Brexit.

Cllr Doig said: "The successful amendment said that the EU flag would still fly on Europe Day to represent the Council of Europe, but only on that day. And I made the point that 9 out of 10 of my constituents would only see the flag as the EU flag, not as the Council of Europe flag, it was a matter of simple democracy and honouring the 2016 Referendum result. As a Yexiteer myself, supporting an exit from both the UK and the EU, it was my casting vote which carried the day for taking the EU flag down".



Recognising the dangerous rise of the Far Right across the world Renfrewshire Council has also taken a stand to honour the International Brigades who pioneered the fight against Fascism by defending the progressive Spanish Government against the Fascist insurgents of Franco in the 1930's.

Earlier this year, on 17th February the Council acted on a motion moved the previous December by ROSE Supporter, and Independent politician, Cllr Andy Doig, to honour the Brigaders annually on 16th February by flying the International Brigades Flag. This was the date on which the Progressive Left Government was elected which continued the fight against Franco until the end in 1939.

Cllr Doig said: "The fight by the International Brigades and their allies has always meant a lot to me personally, as my late father was in the ILP in London in the 1930's and wanted to join the Brigades. But he had both asthma and flat feet so was talked out of it by his friends, however, he had a life-long admiration for their sacrifice and I think we have to recall that bold struggle".