

# Radical Options for Scotland & Europe



Published by Radical Options for Scotland and Europe

October 2022

## SCOTLAND IN REVOLT



# UNITY FOR PUBLIC OWNERSHIP

October has seen rising anger at the policies of the Truss government, with strike action covering transport, communications, posts and council services and ballots for strike action among Scottish teachers and civil servants – following the 10.2 percent increase won by for local authority workers. It has also seen mass demonstrations outside the headquarters of Scottish Power and in cities and towns across Scotland.

At the 1 October demonstration in Glasgow city centre (above), supported by GMB, UCW, Unison, EIS, RMT, ASLEF, TSSA, the STUC general secretary, Ros Foyer, welcomed the growing unity across the trade union movement and Scotland's working class communities.

### Using unemployment to force down wages even further

She condemned the destructive profit-taking across all the privatised utilities. 'Profit taking at the expense of investment has caused a disastrous lack of capacity and intensified the crisis.' She went on to call on the Scottish government to take these companies into public ownership and demanded an all-out struggle against the Westminster government.

'It is hell-bent on using mass unemployment, and the destruction of the benefit system, to force down wages and break the trade union movement. We must urgently organise resistance.'

### New divisions emerge as the EU moves towards recession

Inflation has now reached 20 percent in the Baltic republics, 17.1 percent in the Netherlands and 10.9 percent in Germany. Germany, the EU's export power house, announced at the meeting of EU energy ministers on 30 September that it was going alone with a 200 billion euro subsidy package for its energy users. In doing so, Germany incurred the anger of almost all other countries. Slovakia warned that the US-EU sanctions on Russian gas was leading to the country to bankruptcy.

See back page for analysis from Frieda Park and Arthur West

### ROSE AUTUMN PUBLIC MEETING AND 2022 AGM

Saturday, 29 October  
10.30-12.30 Unite Glasgow

Stephanie Martin (chair)

Pauline Bryan, Jonathan Shafi, Matt Kerr, Stewart McGill

# We Say

**The Interim Budget of the incoming Truss government makes clear that its policies represent a major shift away from the 'big state' that underpinned Gove's plans for Levelling Up. Instead we have tax cutting – for the benefit of the rich.**

ROSE has always argued that Levelling Up was not what it seemed. It was more about centralisation and control: with government funding conditional on partnerships between big business and restructured regional authorities: 'Mayors', in England - city regions in Wales, Scotland and Northern Ireland. Probably the only relic will be the Free Ports renamed Investment Zones.

What is in its place? Certainly tax cuts that will reduce government income by at least £43 billion. Together with the £150 billion subsidy to the energy companies and the pledge to spend a further £18 billion on defence, it requires a historic increase in government borrowing and sent sterling plummeting in international markets. The increased cost of imports has already added another one percent to consumer inflation. It will get worse.

So why? Is this simply about increasing economic growth by paying executives more and getting bankers to relocate. Truss and her advisers might just be stupid enough to believe this. But more probably it's something far more sinister: deliberately deepening recession in order to destroy trade union power. Thatcher did this in 1980. So did the Tories in 1920 to break the miners and the workers of Red Clydeside.

## **Deliberately creating unemployment**

One telling statistic released last month was that 'labour compensation', the share of GDP going to workers, had reached 60 percent – increasing over five successive years to the highest in the OECD. This is not because workers have become richer. They have not. It is because output has shrunk as a result of Covid and desperately low levels of investment.

In the private sector, among the multibillion private contractors like Serco, G4S and Capita, the labour market is seen to be far too tight. And it was largely for this reason the CBI, the organisation of big employers, welcomed the mini-budget in its initial comments.

So this may be what the new policy is really about. Using unemployment as a weapon. Tightening Universal Benefit to force the sick into work. Abolishing the IR35 regulations to allow bogus self-employment. Toughening anti-trade union laws. Loosening controls over 'legal' immigration.

## **Disproportionately affecting Scotland**

How will it affect Scotland? Disproportionately. Still higher inflation cuts will punish our very large public services sector – with consequent impact on the rest of the economy. So will higher interest rates - hitting both for local authority borrowing and Scotland's small and medium firms. And crisis and financial volatility will make investment companies even more desperate to extract profits from our big externally-owned PLCs.

These developments therefore highlight why we need public ownership of utilities and why Community Wealth Building is so important - production and services being democratically controlled through local government.

Even here, however, Scotland faces a special, and self-imposed, obstacle. The SNP government is seeking to shadow EU legislation – as exemplified by the Withdrawal from the EU (Continuity) Scotland 2021 Act – to expedite EU entry. This is why it has been so opposed to giving state aid to struggling workplaces – like the Springburn Railworkshops and BiFab – and why it has dragged its feet on the public ownership of bus services or trains.

**The reversal of these policies must be a major demand of trade unions and communities over the coming year.**



## **We Must Protect and Extend Democracy in Britain**

Says Stephanie Martin

**Over the period of mourning the late Elizabeth Windsor, rampant poverty, environmental catastrophe, public sector degradation and healthcare deprivation took a pause - or so the British establishment media would have us believe. The reality for working class people has been quite the opposite, with thousands queueing for miles to access foodbanks as the media showed us long lines of spectators to her Majesty's coffin.**

Since then we've seen a disastrous mini-budget announcement plunge the pound with its pledges to further deprive the public sector in order to cement the already bloated wealth of our growing class of super-rich, including also a pledge to scrap the 45p tax rate. This pledge was then u-turned just days after being made, with new Chancellor Kwasi Kwarteng stating in his address to the Conservative Party Conference to deliver "a true, home-owning, shareholding democracy."

As for the opposition, there have been leaked reports that Labour are considering scrapping the House of Lords if they win the next General Election - a welcome development to most on the left. The Labour Conference also voted in favour of electoral reform, selecting proportional representation as the most democratic option.

### **Neglecting real public ownership**

These constitutional and electoral improvements to democracy are however undermined by the party refusing to address the clear contradiction of private involvement in public infrastructures by neglecting real public ownership of energy as a vital step in addressing the wealth imbalance of our country.

What use is the abolition of an undemocratic and archaic legislative chamber, when power remains in the hands of monopoly and finance capital?

### **Beholden to private energy suppliers**

What use is a publicly owned energy producing company ('Great British Energy'), that remains beholden to the market with the same private energy suppliers? Even draped in a union flag, democracy separate from the economy is no democracy at all.

As 34 percent of children in Glasgow continue to endure poverty, we are now expected to just accept without question the hereditary ascension of a new king to the British throne and with it billions in inherited wealth without taxation. All without a single vote cast. We are also expected to accept a continuation of the blatant extortion of working class people to line the pockets of the wealthy, an agenda pushed by a prime minister who was selected by just 81,326 people.

### **Democratic question-mark**

Those who have raised the democratic question-mark over the relevance of a king in a modern society have faced police brutality as well as violence from a minority in the public in recent weeks. A woman was arrested in Edinburgh for holding an anti-monarchy sign, and another woman was followed by officers for holding a blank piece of cardboard. Many more assaults on our freedom of speech were made by British police during the period of mourning, with this set to exacerbate due to the UK government's anti-protest and anti-trade union legislation.

With no say over the continuation of monarchical rule in Britain, and a fourth Conservative prime minister in ten years selected by less than 1% of the UK population, what exactly does the British working class have a democratic stake in? Certainly not the economy, which under the stewardship of Rishi Sunak and his hedge fund cronies saw the extraction of hundreds of billions to the individual pockets of Britain's record-high 171 billionaires. Meanwhile the NHS continues to limp on under-staffed and households across the country are forking out up to 50% of their income on energy bills.

### **Poverty wages**

Kwasi Kwarteng has only ramped up the anti-democratic class war even further with the removal of the cap to bankers bonuses, while the poorest among us continue to live on poverty wages. With a general election not set to occur until January 2025 at the latest, there is no help on the way from our political elite for ordinary families during this period of crisis.

That is why we must help ourselves as a united working class, by supporting and joining the trade union and community led fightback against runaway capitalism, which has caused endless economic crises since the 2008 crash and has no immediate intention to address the immanent climate catastrophe facing us all.

### **Any democratic revolution must extend to the economy**

When inevitably the question of democracy in Britain post-Queen Elizabeth arises, we must be ready to answer with a whole-sale democratic revolution that extends into the economy. With the context of supernational governance removed by leaving the EU, Britain must democratise its nations and regions by extending devolution and empowering local government to intervene economically.

## **‘RESERVOIR SNOBS’**

### **Vince Mills reports on two party conferences**

Forgive the allusion to Taranatino, but the Tory Party conference does indeed have more than a passing resemblance to that director's *Reservoir Dogs* climactic standoff where the protagonists - all supposed to be part of the same gang - end the movie pointing guns at each other.

While the specifics of the dispute are not in doubt – the market thumbs down to Truss's mini budget that promised tax cuts without a reduction of public spending, leading to a collapse in

the value of the pound and all that flowed from that – the underlying differences are debatable. On the one hand it has been portrayed as civilised one-nation Toryism versus feral capitalism. But as many of the anti-Truss Tory MPs have made clear, with the cost-of-living crisis dominating the lives of most working people, their opposition to the plans to remove the 45 percent rate of income tax on those earning more than £150,000 was about timing, not about scrapping the rate.



### **‘An avaricious old monster’**

Contrary to the rules of the capitalist magicians' club, Truss had pulled back the curtain and instead of presenting capitalism as a benevolent, munificent source of wealth for everyone, she exposed a desiccated, avaricious old monster. And right at a time when people were already on the streets and taking industrial action to defend their standard of living. No wonder some of the smarter Tories are having none of it.

A few weeks earlier the Labour Party had met in conference in Liverpool. In many ways it was a repeat of last year with a raft of left wing motions being supported by conference including: pay rises at least in-line with inflation; unequivocal support for all UK workers taking strike action and for joining picket lines, including all Labour MPs; a £15 minimum wage; opposition to privatisation, academisation and outsourcing; bringing services back in house and public ownership of the railways and Royal Mail and essential services and utilities. Other progressive motions on Care and the NHS were also passed but relevant only to England.

Of course, given that none of these will necessarily be part of a future Labour Party manifesto, it was what the Labour Party leadership itself proposed that reveals the likely direction of a future Labour Government.

### **‘Some Left-oriented proposals’**

While there were some left orientated proposals by the Labour Leadership, including nationalising rail, to be achieved gradually as the Train Operating Companies' contracts expire and setting up a Great British Energy company, the detail of how these will work is yet to be made clear. Waiting for all franchises to run out is going to be a protracted process – some don't run out till 2029 and while Great British Energy will not be an energy supplier but instead “about the management of the investments we believe are essential to unlock these markets and opportunities” precisely how this will operate has still to be spelt out. Nevertheless, any move towards more public control of the productive economy is to be welcomed, but this is miles away from the comprehensive, radical democratic, green, economic and social programme we need to begin the process of transforming Britain.

### **Unsustainable**

All of this means that the left in the community and in the unions has to continue its campaigns in the streets, in the council chambers, in the devolved parliaments and in the Labour Party to bring about the change we need. However it may appear at the moment, a politics based on neoliberalism and globalized financial capitalism is unsustainable, whether it's managed by the Tories or right wing Labour, as long as we make it so.

## ARTHUR WEST

### Chair of trade union CND on the rapid expansion of the EU's military role



The military role of the EU continues to develop particularly in relation to support for the war in Ukraine. Since the beginning of 2022 the European Union has mobilised five tranches of military aid to Ukraine. According to their own figures this means that a total of 2.5 billion of euros of military aid has been given since this dreadful war began earlier this year.

One of the stated aims of the European Union is to promote peace and well-being of its citizens. The increasingly military orientation of the EU stands in stark contrast to this.

Further evidence of the increasing militarisation of the EU is shown in its relationship with NATO. According to fact sheets produced by NATO - there is extensive co-operation between the two organisations.

A quick look at the NATO website shows that the two bodies co-operate on military mobility to ensure that NATO forces can cross borders faster and more easily when it is deemed necessary. The website also indicates that the EU and NATO representatives routinely engage with each other .

The website confirms that since the crisis in Ukraine started both organisations have worked to make sure that their actions complement each other , especially with regard to Russia .

It is a rather puzzling that an organisation which says it is focussed on peace, security and sustainable development is involved so heavily in military spending and linking in with the nuclear weapons based NATO military.

### AFFILIATE TO ROSE

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

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*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.*

# EU FACING MAJOR ECONOMIC AND POLITICAL PROBLEMS

By Frieda Park

Germany and France have dominated the EU and, they both saw the EU as a distinctive bloc, with its own interests in the world. Though these mostly coincided with United States priorities, there were also points of difference. Angela Merkel held firm against US pressure, promoting the construction of the Nord Stream 2 pipeline. Emanuel Macron has pursued “strategic autonomy” for the EU. These signs of independence from the US took a severe dent with the advent of the war in Ukraine.

The effects of US imposed sanctions on Russia have been to force the EU into dependence on US Liquefied Natural Gas, to seriously undermine its biggest economy – Germany - and to increase tensions in the EU. Germany is facing recession, with its GDP already in decline. A group of German financial institutes have predicted a possible 7.6% fall in GDP in 2023 and a further fall of 4.2% the following year. It is not just the crisis in the supply of gas which affects Germany's economy. The supply of other sources of energy and key minerals required for the important car industry are also affected. In other words the German economy is taking a massive hit and one wonders how much Germans will be prepared to sacrifice when the United States is barely affected by the sanctions it has instigated.

Some voices have spoken out. Wolfgang Kubicki, Vice-President of the German Parliament, said on 19 August, that Germany should allow the blocked Nord Stream 2 pipeline to begin pumping Russian natural gas so “people do not have to freeze in winter and that our industry does not suffer serious damage.”

Well-known politician and former Die Linke co-chair Sahra Wagenknecht, has accused the government of causing a “social and economic catastrophe” through its sanctions on Russia. Wagenknecht, said that one in three German businesses were facing bankruptcy and blackouts could not be ruled out over the winter. “The idea that we are punishing Putin by impoverishing millions of families in Germany and destroying our industry while Gazprom is making record profits—how stupid is that?” she asked.

The public mood is changing in Germany. An opinion poll of 1,011 citizens found that 77% of Germans believe the West should start negotiations to end the Ukraine war. There have been small protests in several cities against the policies of the government. Around 2,000 demonstrators in the Baltic port of Lubmin – where Nordstream 2 reaches land – called for a ban on exports of weapons to Ukraine and for the resignation of the federal government. Banners read: “Nord Stream 2 instead of fracking gas”. The German protests have been echoed by large pro-peace, anti-NATO demonstrations in Paris and Prague.

### FOLLOWING THE US IS DESTROYING EU ECONOMIES

Following the United States line on sanctions is destroying European economies and the living standards of their citizens. Although still not voiced by the political establishment, this must lead to growing differences with the US. There is a danger, however, that public disquiet over this issue will be captured not by the peace movement and the left, but by the radical right which is on the march across Europe. There are well-established right wing governments in Hungary and Poland, now joined by Sweden and Italy where parties with fascist roots will be in government. In France Marine le Pen challenged Emmanuelle Macron for the presidency and far right parties have growing influence in other countries such as Germany and Spain.

The shift to the right in the EU is deeply concerning and will increase tensions within the bloc as more nationalist governments pursue their own interests.

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