

Radical Options for Scotland & Europe



FOR PUBLIC OWNERSHIP AND DEMOCRATIC CONTROL

February 2023

PUBLIC OWNERSHIP NOT 'LEVELLING UP'

Michael Gove's department for Levelling Up announced the second round of awards in January. Scotland secured ten awards totalling £1.77 billion, a proportionate amount to population across Britain.

They included a new ferry for Fair Isle, a museum and cultural centre for Peterhead, a cinema renovation for Kilmarnock and a road and transport hub for Greenock. They supplement the City Region deals, also negotiated through Westminster, worth £1.5 billion, that have been more focussed on technology and innovation and the two new 'Green Freeports' for Forth Valley and Cromarty Firth.

Two million out of pocket

However, the councils involved are facing immediate problems. The bids were costed up to a year ago. Since then inflation has escalated – especially construction costs – by well over 10 percent. Inverclyde Council has lodged a warning that it will have to find an additional £2m out of its existing overstretched budget if it is to start the new work.

More fundamentally Council leaders across Britain have voiced criticism of the entire scheme. Applications involve councils employing expensive private consultants. Only a very small fraction of applications are successful. And even for successful councils the grants only represent a fraction of the income that has been lost over the past decade.

The right to equal development

At the Convention of the North held on 25 January two metro mayors, Andy Burnham and Steve Rotherham, called for an end to the competitive system and for a new right to equal development across Britain, and funding to sustain it, to be written into law – along with progress to a genuinely democratic form of regional devolution.

The chair of the government's own Independent Levelling Up Advisory Council, Andy Haldane, criticised the whole scheme earlier in January 'as not really a growth programme at all' and argued for a more systematic and partly public sector approach.



Westminster Bill threatens our right to strike

By Colin Finlay, EIS Organiser Stirlingshire
In assessing any future impact of the Government's proposed Trade Union legislation, Andrea Bradley, general secretary of the EIS, Scotland's biggest teachers' union, summed up the proposals as "unworkable" and "likely to inflame rather than resolve industrial disputes".

Some of most restrictive laws in the world

The government's fast-tracked bill is still working its way through Westminster and its final details are not yet known. The UK already has some of the most restrictive anti-trade union laws in the world but it is clear that its new proposals are both impractical and very concerning.

In Scotland education unions, in voting for this year's strike action, repeatedly smashed thresholds and overwhelmingly voted for action. Members of the EIS voted 96 percent for strike action in a 71 percent turnout. Under the new law, this ballot will count for nothing and the democratic mandate ignored. (continued page 4)

We Say

January saw the announcement of Scotland's two 'Green Free Ports', on the Forth and Cromarty Firth, and ten Levelling Up awards stretching across Scotland from Fair Isle in the north to Dumfries in the South.

The decisions were taken in London – though in consultation with the Scottish government. The awards have brought roughly £1.7 billion into Scotland – not much different to what was previously received via the EU structural funds.

Uneven economic development

Nonetheless, the question needs to be asked: will these awards really do anything to address the grotesque levels of uneven economic development in Scotland and across Britain – inequalities worse than those in any other country in Europe? More fundamentally, will they do anything to resolve Britain's complete failure to enhance productivity over the past fifteen years – again unique in Europe?

Remembering back to Thatcher's Enterprise Zones, it may be doubted whether the Green Ports will do much more than relocate existing businesses – and at the same time undermine tax revenues and, most likely, workers' rights. Nor is it the wisest move at a time when US government is offering massive handouts to US firms to relocate overseas plants back into the US.

Then there is the issue of democracy.

The 'Convention of North' meeting on 25 January gathered together council representatives from across the north of England to hear the case being put by existing metro mayors - for some form of systematic devolution that would create powerful regional councils with their own elected legitimacy and economic resources.

This is something the Tories have been scared of ever since they did away with the Greater London Council in England and Strathclyde Regional Council in Scotland – which, for all its faults, did stop the Tory attempt to privatise our water.

Lack of economic development

This also raises the more fundamental point. The Westminster government's existing scheme does nothing to address the basic underlying problem: lack of economic investment and the collapse in productivity. The chair of the government's own Independent Levelling Up Advisory Council, Andy Haldane, made this very point last month.

ROSE exists to campaign for public ownership and democratic control – real democratic control sustained the organised pressure of working people and their trade unions, those with a real vested interest in their country and its economic survival. It looks forward to this year's STUC Congress to take forward last year's decisions on this front and to build an alliance to do so.

Independence Lite

A Third Option with Teeth

Cllr Andy Doig



I have campaigned for Scottish independence all my adult life, which is the last 44 years, and I still believe that to be the best option for Scotland as a whole and for the Scottish working class in particular.

This is because the break up of the UK would be a blow to the British ruling elite. In 1982 I was a Executive Committee member of the SNP 79 Group, a socialist faction which passionately believed that independence was not about changing flags but changing society. I left the SNP in 2017 not solely, but mainly, because of their adherence to the neo liberal EU. As a Left-wing Nationalist I believe it is important that the Labour movement have a credible third option on the ballot paper at the next independence referendum.

The Scottish Trades Union Congress

The STUC and the Scottish Labour movement have a proud history of supporting the right of the Scottish people to determine their own form of government, even at times when the Labour Party has been cool or even opposed to any form of devolution (1958-1974). The trade union movement was split during the 2014 independence referendum so continued debate and discussion on the Constitution is positive as there is still a strong demand for a second independence referendum.

The focus of trade unions is fundamentally economic whereas the focus of political parties is wider, this has led to a situation where many might struggle to see the relevance of constitutional change to the fight for economic equality yet the majority of trade unionists as individuals were passionate, regardless of their position, in the 2014 Independence referendum and the 2016 EU referendum.

A working class issue

Constitutional change is a working class issue because the working class is validly and rightly engaged in these debates.

So how can constitutional change benefit the working class? Recently when Labour revealed their new constitutional proposals a former adviser to Alistair Darling, Catherine McLeod, spoke on BBC Radio Scotland that "What was exciting about these proposals was that it proved constitutional change could be the driver for economic and social change". On that, I agree with McLeod. Taking back control should mean exactly that on the economic front with new political structures which deliver sustained change for workers.

Scottish Trade Unionists face real dilemmas over the future of the Scottish constitution. For example, the SNP and the Greens are totally wedded to the EU and the delivery of real economic power to the Scottish people with "Independence in the EU" is simply not possible. Neither is the Gordon Brown offer from Labour remotely radical or credible as the Brown proposals do not want either a UK Bill of Rights, a written constitution, or PR for the Commons.

The Tory status quo is simply a race to the bottom, with historic gains such as the NHS, the welfare state, and the right to vote and freely assemble, and the right of workers to organise and strike, being under real and substantial threat. A Labour movement position (as opposed to any political position taken by Scottish Labour) must take account of the desperate need for the return of powers to create real growth in the Scottish economy, and offer assurances about protection for Scottish workers from current anti TU legislation. Whilst many trade unionists are attracted to independence they are also loath to break class unity with the English working class.

I believe a tenable and respectable Labour movement position would be to propose that Holyrood gains all the powers currently held by Westminster, except for foreign affairs and defence. That would not satisfy me personally nor most Left-wing Nationalists, but it would move the constitutional debate substantially forward as a credible third option on the ballot paper between independence in the EU, and the Status Quo.

Independence Lite would be credible because the Scotland Act of 2016 has shown the difficulty of trying to devolve some welfare powers but not all. It is messy and unworkable. Similarly under Independence Lite all the economic powers needed to grow and develop the economy would be given to Holyrood. Instead of funding being given to Edinburgh they would simply need to give funding to London to cover the cost of foreign affairs and defence.

Independence Lite

Socialists and trade unionists may worry that Independence Lite would jettison the redistributive largesse of the British State which emanates from the centre, thereby causing the advent of austerity policies. This fear also compels many to oppose Scottish independence for the same reasons.

The Scots born Socialist, James Connolly, spoke of the need to subordinate capital to the national state, in alliance with the need for working-class organisations to champion national democracy and independence. That was in the context of Ireland a century ago, but Scotland today urgently needs either a Labour Left or Radical Nationalist government which can fully subordinate key resources like land, wind and wave energy, taking full advantage of the manufacturing opportunities arising from that, to redistribute this wealth to those who produce it. Devolution cannot deliver that, full independence certainly could, and independence lite would be a start.

Vince Mills responds to Andy Doig - and to Gordon Brown

Councillor Andy Doig is, rightly, highly critical of Gordon Brown's recent commission report, published in December 2022, called "A New Britain: Renewing our Democracy and Rebuilding our Economy".



Andy writes: "neither is the Gordon Brown offer from Labour remotely radical or credible as the Brown proposals do not want either a UK Bill of Rights, a written constitution, or PR for the Commons." With this, as well as Andy's dismissal of the possibility of a radical Scotland emerging from the SNP/Green parties' independence in Europe position, I am in a large measure of agreement.

'Progressive Federalism' ?

Except that describing Brown's proposals as 'Progressive Federalism' is overstating their radicalism by some way. Brown's proposals are neither progressive nor federal. They implicitly seek to bolster the status quo and in particular the powers of Westminster to retain control over key economic and fiscal matters despite the aspirations of the current devolved administrations and any, limited, autonomy that emerges in the English regions or local authority areas.

On economic powers the report actually takes Labour's position backwards. The 2019 Labour manifesto advocated the devolution of employment law. This report makes it clear that will not happen. "Strengthening workers' rights in Scotland is an area of shared responsibility between governments and this should be explicitly built into the new arrangement for intergovernmental working."

Minimum wage

Similarly on the minimum wage the best we get is that Scottish Parliament should be consulted and may wish to introduce a "Scottish reference wage"- the wage rate set for the public sector which could then be the used in public procurement. This is a long way short of what is necessary for decent wages in an economy where the private sector is heavily dominated by non-union Small and Medium-sized Enterprises (SMEs). As of March 2022, there were 358,575 SMEs, 55.9 percent of private sector employment.

On borrowing and taxation it's the same story: "Any changes should retain the limits on what borrowing can be used for and be consistent with UK-wide fiscal rules, which as Labour has set out would see debt falling as a share of GDP and balance the current budget." And finally, the report insists that the existing power of the Scottish Parliament to create new national taxes with consent should be further restricted to "an arrangement that can only be used in line with prior agreement between UK treasury and the Scottish government..."

This is not a plan for a radical distribution of power from the centre; it is camouflage for consolidating economic power at that very centre.

Andy believes that instead, while as a supporter of independence anything less would be inferior, "a tenable and respectable Labour movement position would be to propose that Holyrood gains all the powers currently held by Westminster, except for foreign affairs and defence."

This has the strength of giving extensive powers to the Scottish Parliament and making the lines of accountability clear. Scotland would pay Westminster for foreign affairs and defence.

There would be no transfer of resources from the rest of the UK

There would be no transfer of resources from the rest of the UK currently undertaken through the Barnett formula. Scotland would raise what it spends. At the moment Scotland spends more than it raises. In August 2022 it was reported that Scotland's 2021/22 deficit stood at 12.3 per cent, down from the previous year's figure of 22.7 per cent, but there was still a considerable gap between what we spend and what we raise. Public spending in Scotland also remained higher per person than the UK average. In 2021/22, expenditure per person was £1,963 higher in Scotland than the UK average.

Spending on public services threatened

According to the Institute for Government, the biggest differences are in spending on the public sector: education, housing, community amenities, and transport. Despite that subvention, our services are still not adequate. If we had full fiscal autonomy as Andy argues, even defending the currently inadequate levels of public expenditure in Scotland, would be impossible so we would be faced with cuts or higher taxation or probably both.

But for me, the biggest problem with Andy's proposals is not the damage to Scottish public services, and the Scottish economy, full fiscal autonomy would create. It is the damage to the solidarity we need with the working people throughout the UK to build a movement capable of challenging the power of capital across the nations and regions of the UK, by gaining control over the levers of economic power in the UK.

Those levers remain lodged at the level of the British state. The development of a truly progressive federal solution to that entrenched power is compelling, given the limitations of the models that the Labour Party and the SNP are advocating.

TANKS OR NO TANKS - GERMANY'S DILEMMA



All out support for Ukraine in the war, particularly by Germany, is imposing increasing strains on individual member states of the EU and between them. Two particular areas of tension have been energy supplies and the military build-up.

Traditionally in the EU France has taken a lead in military matters. The more so now that the UK has gone, leaving it the only nuclear power in the bloc. However, under Chancellor Scholz, Germany has abandoned its relatively cautious approach to military power which was conditioned by its history of invading and occupying countries across Europe in two world wars. The Ukraine war has unleashed a huge increase in military spending - €100 billion for rearming the military was announced last February.

It has also prompted German politicians and commentators to voice grander ambitions for German power. Scholz has said, "Germans are intent on becoming the guarantor of European security...The crucial role for Germany at this moment is to step up as one of the main providers of security in Europe by investing in our military, strengthening the European defence industry, beefing up our military presence on NATO's eastern flank... This decision marks the starkest change in German security policy since the establishment of the Bundeswehr in 1955...".

'French less than happy'

The French are less than happy with this challenge to their role as the EU's preeminent military power. Tensions between them and Germany's unilateral actions over energy subsidies have led the French President Emmanuel Macron to say as recently as October last year, "I think it's not good for Germany or for Europe that it isolates itself".

AFFILIATE TO ROSE

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

Name _____

Address _____

Fee _____

Cheques payable to ROSE: Jim McDaid, 41 Craufurd Ave, West Kilbride KA23 9DP

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 huge costs of prosecuting this militarist strategy, combined with the energy and cost of living crisis is now also causing tensions within Germany. There are also concerns about it being brought closer to the front line of an escalation in the conflict, whilst the United States directs affairs from a safer distance.

This is the background to the recent spat over whether Germany should supply Leopard tanks to Ukraine. The Bundestag recently decline to give approval to sending the tanks to Ukraine instead referring the matter to the Foreign Affairs Committee for further consideration. The right wing parties putting the proposal forward, failed to secure the support of the other parties, including those in government, for an immediate vote. However, Scholz was under immense pressure to escalate the conflict by sending the tanks. The Green Foreign Minister Annalena Baerbock, who is an enthusiastic supporter of NATO's war aims, has now said that Germany would not stand in the way of Poland supplying the Leopard 2, German-made tanks to Ukraine, although that was something that the Foreign Affairs Committee was due to discuss. In the end Germany caved in, and Scholz announced that it would send its Leopard 2 tanks to Ukraine and allow other countries to do likewise.

However, it is significant that in Germany, the build-up of militarism and escalation of the war in Ukraine, has stalled, if perhaps only temporarily, over this issue. It may be also that there is also concern about opposition to Germany's role in the war among the public, where there have been demonstrations of the left and the right against it and the growing economic hardship that ordinary Germans are suffering while military expenditure grows.

The Right to Strike

Trade Unions believe that negotiation is the only way to settle any dispute. In the words of Andrea Bradley 'Any such proposals are only likely to inflame rather than resolve industrial disputes. Meaningful negotiation on fair pay settlements, not ill-conceived legislation, is the path to settling industrial disputes in the public sector.'

The Government has no intention to discuss the legal changes - despite the minister's weak plea for a 'genuine debate' on minimum service levels. Education unions are clear. Negotiations happen in meeting rooms. Not court rooms.

The new law will grant the powers to set minimum service levels for six key public services: health; fire and rescue; education; transport; decommissioning of nuclear installations and management of radioactive waste and spent fuel; and border security. There is no detail on the limits to these service levels. Power is given to governments to set them. Legislation may enable them to be imposed without agreement with unions who represent the key workers affected.

Education has in fact already had a legal minimum service level for over twenty years. The pupil-teacher ratio requires schools to have one teacher for every 13.5 pupils. This is enforced when a school is open. The impact of the new laws would mean a complete ban on every teacher's right to strike. The government would be able to legally force teachers, who have democratically and legally voted for strike action, to go into work on strike days.

The proposed legislation therefore raises significant concerns about forcing all public sector workers to attend work against their will and would undermine existing and future negotiations. Particularly for education unions, given existing legal requirements, the new law would effectively remove any industrial and bargaining power.

ROSE WEBSITE <https://www.rose-scotland.org>

[This contains copies of briefings, podcasts and videos of meetings](#)