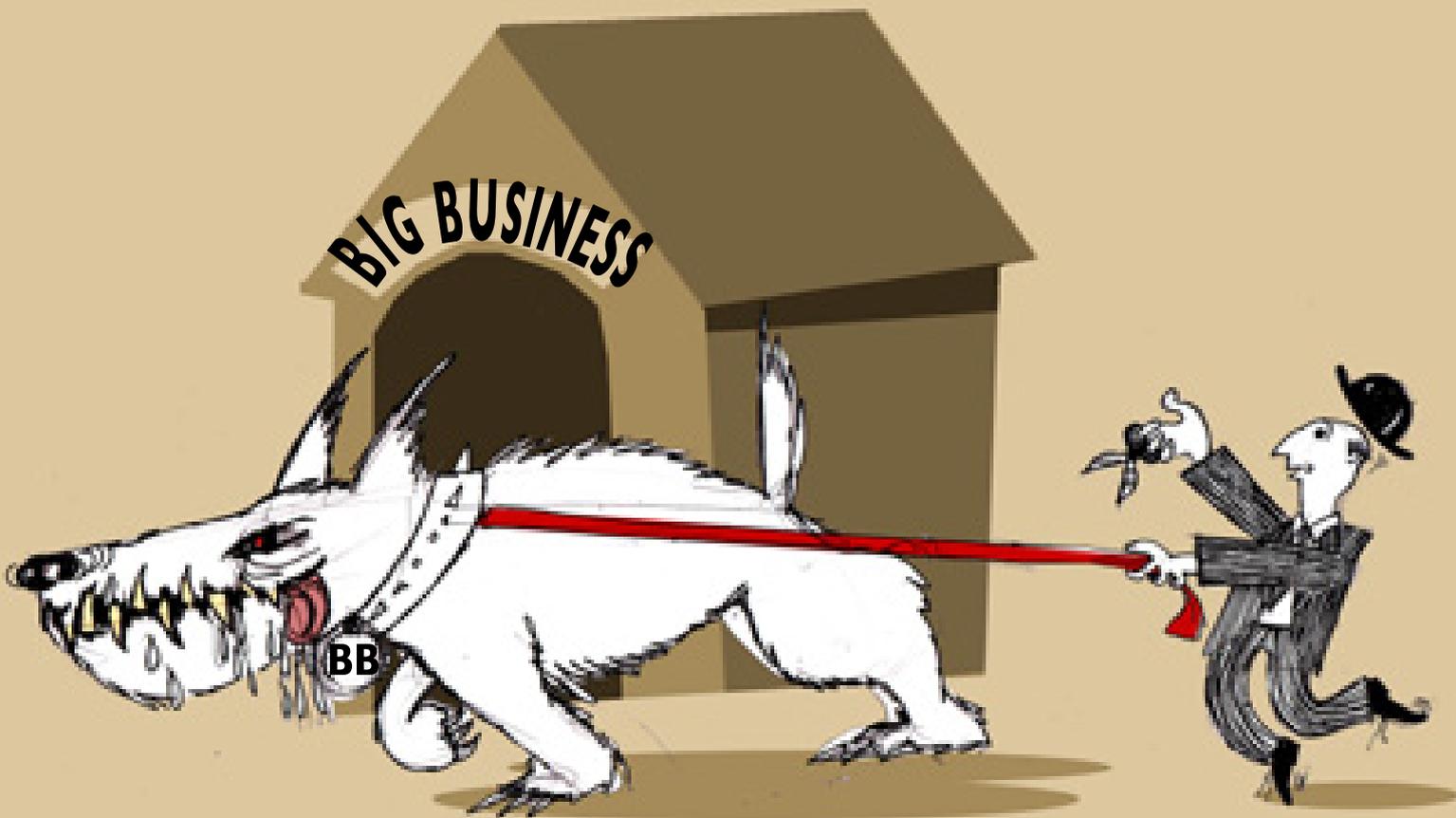


# Scottish **Left** Review

Issue 69 March/April 2012 £2.00



## BIG BUSINESS & DEREGULATION

Why you might just regret cutting the **Red Tape**

# Scottish Left Review

Issue 69 March/April 2012

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Printed by: PrintIt Xpress Ltd, 34 High St., Linlithgow, EH49 7AE

Regulation and deregulation - is this a battle of ideas or of language? Or perhaps both come together and what we face is really a battle of understanding.

The context for this is clear enough; after three decades of unrelenting deregulation the chickens came home to roost and deregulation broke the western world. Almost everything that had been put in place to prevent the Great Depression from recurring was dismantled between 1980 and 2000. So what happens? The utterly predictable. And what is the response? Slightly unbelievably it is more deregulation as George Osborne and his buddies try to remove any remaining restraints on corporate abuse they can find. Encouraging corporate abuse is almost explicitly the new economic strategy. It was the old strategy too.

How can this happen? It's as if you've just been diagnosed with lung cancer and the doctor gives you a packet of cigarettes. No-one really argues that lack of regulation (or oversight or accountability or one of a range of synonyms) played an enormous part in the banking crisis which in turn plunged the global economy into crisis. So how does deregulation become the solution?

The answer is two-fold. The first and most obvious answer is that every ounce of energy has been expended by neoliberals to make deregulation look like anything other than deregulation. It is given other names ('cutting red tape', 'the common-sense agenda', 'light touch' or whatever *Mail*-baiting nonsense can be applied). It is intentionally rolled into a sort-of 'grand conspiracy against the public' by confusing health and safety, compensation culture, the European Union, data protection, discrimination legislation, any nutty local authority decision and paperwork generally with removing sensible constraints on big and overly-powerful corporations. It is simply massaged to make it look like what it is not and to play on the knee-jerk prejudices of the wider population.

However, those of us on the left need to consider the second answer to the question, which is distinctly uncomfortable. That is that barely anyone has tried to make the positive case for regulation. That case is simply that regulation is needed to protect ordinary people from excessive power. In the field of business regulation what is being done

If no-one will explain what regulation means and no-one will stand up and make a real case in its favour, the Daily Mail will continue to make the running

is that people are being protected from corporate (and smaller business) crime. Crimes such as illegally gaining monopoly positions or forcing cartel prices on the public. Crimes such as dumping poisonous pollutants into drinking water or firing people because they are black, or women, or disabled. The right-wing trick has been to emphasise the actions to prevent the crime rather than the crime. So we all know that 'business is drowning in environmental red tape' but we don't get told that this is to prevent children being poisoned. (And don't think this is melodramatic phrasing - you only need to look at existing breaches of environmental legislation to realise that businesses do indeed do these sorts of things).

Employment regulation is about making sure people are treated fairly and that crimes of discrimination don't take place. Health and safety legislation is there to stop profit-making and non-

profit-making organisations alike save money by cutting corners and putting people at severe risk of harm. Planning regulation is there to stop people's lives being blighted by having their communities destroyed by big financial interests.

And criminal justice is there to make sure that big men can't just

punch little grannies and take their purse. All those 'law enforcement officials'? Regulation gone mad. Cut red tape, cut the police. Let organised crime gangs self-regulate their way to becoming legitimate ventures. Support a free market in violence. That's the logic.

Regulation is crime prevention. So why will no-one stand up and say so? OK, in part it is because there certainly is bad regulation and even more so there is bad implementation of regulation. Anyone struggling to keep a small voluntary organisation going (especially if it involves working with children)

will tell you that there is a hell of a lot of paperwork. And hyper-risk-averse public officials make the Daily Mail job easy with some of their risk-averse interpretations.

But a 'bad apples' strategy should not be allowed to work. We have to start saying that regulation is simply crime prevention like any other law. It is there to protect us, from harm or exploitation. People don't understand this properly. Tell them that deregulation means their electricity company would be allowed to charge anything at all that it wants and reactions might be different. Or suggest that a deregulated business in their vicinity would not be monitored for large-scale fly tipping and people might begin to feel differently.

Instead, all political parties are signed up to 'better regulation' agenda on the basis of the kinds of evidence that Stephen Boyd utterly dismantles in this issue.

Re-regulation will remain politically untouchable until someone stands up for regulation. There has never been a better time ■

**Cut red tape, cut the police. Let organised crime gangs self regulate. Support a free market in violence.**



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# How red tape was invented

To understand the world of the deregulation agenda it is useful to understand the history of red tape.

In the 16th and 17th century the administration of Spanish King Charles V started identifying the more important documents of state by binding them with red ribbon rather than rope. This became a standard practice over Europe. When complex matters of state cropped up suddenly there would be red-bound documents everywhere. By the end of the American Civil War the practice was normal across the western world and when Civil War veterans wanted to get a hold of their military records (a time-consuming task by all accounts) they found them also bound in red ribbon. But long before this the phrase 'red tape' had already become a shorthand for excessive institutional bureaucracy.

This usage held fairly consistently for centuries. By the 1970s it remained a phrase which described paperwork, unnecessary bureaucracy, forms in triplicate, foot-dragging, hair-splitting, procedural obsession and so on. The meaning at this point was largely cultural; it described mainly the experience of individuals faced with bureaucracy, be that someone trying to get a decision from a local authority or a secretary having to type out the same form over and over again. It was an expression of the relationship between the individual and a bureaucratic institution. But that was all to change.

By the mid-1970s the political orthodoxy was shifting radically with the rise of the Chicago School and the neoliberal revolution they were espousing. One of the great underpinning philosophies of this movement is the belief that the perfect market is the perfectly 'free' market. By 'free' they meant that no actor in that market should be inhibited from any action (other than relating to the most basic laws) because markets are self-regulating. So interference with those markets is inefficient and unjustified in economic theory. In fact, since these are True Believers we are considering it is probably important to add that they believed this to be unjustified morally – this is the libertarian part of neoliberal. It's not just venality, it's a way of life. It isn't like regulation was ever

popular with business, but it was more willingly accepted as part of the post-war settlement. No longer; regulation was to become a morally-repugnant, politically unacceptable function.

Except of course that wasn't possible, since the definition of regulation is staggeringly wide. No-one (except real neoliberal extremists) imagines there could be absolutely no checks or balances on corporate action. So it is accepted that fully-fledged market monopolies cannot be allowed. And that businesses must demonstrate some sort of duty of care for employees. And that they can't just dump toxic chemicals in the streets. And that they are not allowed to build nuclear power plants in the city centre with no permission. And so on. This, however, didn't matter. Because as we shall see, red tape is a wonderfully flexible concept.

By the 1980s neoliberalism wasn't rising, it was all-conquering. New technologies were revolutionising the routine bureaucracy and administration of the 1970s (life before mailmerge and cut-and-paste) and much of what red tape had previously meant referred to practices which were in decline. In fact, entire concepts like 'in triplicate' have disappeared, replaced by the straight forward 'three copies of'. If you're not filling forms out by hand but printing them, actions which previously seemed irritatingly futile became a simple matter of clicking the 'three copies' button rather than 'one copy' when printing. Of course bureaucratic processes hadn't ended completely, but that 1970s cultural phenomenon of rows of bored women (always women) in large rooms monotonously typing the same thing over and over again was disappearing. Even the experience of dealing with bureaucracies as an individual was changing with the photocopier killing off 'triplicate' in its own way.

These are the two drivers of what we today understand as red tape – the decline of a cultural meaning with the rise of a political philosophy. Thatcher did her thing of harnessing English Home Country 'outrage' to neoliberal economics and suddenly the difficulty of filling in planning permission application forms for your house extension and rules requiring banks to maintain firewalls

between different parts of their business became the same thing. Regulation was red tape. We were all in this together.

The rhetoric just kept ramping up. The more successes there were, the more the ploy was relied on. The shock and awe of the Thatcher years became the political mainstream of the 1990s. History will show that it was a Democrat president who finally dismantled the sensible regulations which stopped banks from imploding. By the late 1990s deregulation mania had reached as crescendo as economists were 'proving' that as long as there was no public intervention the stock market would rise forever. Even now this economic analysis looks like one of the crazier fads of Victorian science, but at the time it simply said what everyone wanted to hear – the only thing standing between us and economic nirvana is red tape. The dotcom crash took the edge off things for a while, but by now we had Bush and the market fundamentalists who ran him as their candidate. And then we get Enron, to this day the single best advert for regulation.

However, something else is going on at the same time. It is perhaps dangerous to imply too strongly that there is intention in all of these changes of meaning, but it certainly helped to shore up the arguments when things were looking ropery for the deregulators. Either way, the phrase 'red tape' was becoming like a snowball, gathering new meanings by the day. In the early 1990s it was all about 'EU bureaucrats' and their straight bananas. Red tape gone mad. By the late 1990s it was 'politically correctness' which when actioned by institutions meant 'red tape'. By the 2000s it was 'health and safety' (now routinely and bizarrely typified as 'Elf and Safety' by the red-tops and mid-market right-wing press, presumably because it was handy to get rid of the word 'health' which had positive connotations). These concepts are now merged into one mega-madness, a world in which red tape is our biggest enemy in day to day life. And it can mean virtually anything. In the last few months along the phrase 'red tape' has appeared over 3,000 times in the Daily Mail. The word 'deregulation' occurred only 500 times. So here are some examples:

"Ministers burden firms with

## For hundreds of years 'red tape' was shorthand for the frustration an individual faces when dealing with institutional bureaucracy. Robin McAlpine explains how it turned into a right-wing ideology.

£50m of EXTRA red tape after all the pledges to cut it". "Tory MPs demand a Budget slashing taxes and red tape to kickstart growth". "Thousands of small firms boosted with red tape reprieve on new pensions". "Coalition is strangling businesses with red tape", say British bosses". "Cost of red tape 'rose by £11bn last year'". "Half of teachers quit the classroom because of violent pupils and red tape". "EU bureaucrats are bombarding businesses with 'unwarranted' red tape, warns CBI". "Elf 'n' safety red tape prevents almost half of police and three-quarters of paramedics from helping the public". "Police are spending even more time dealing with red tape, new figures show". "£14,000 red tape bill for every firm". "EU red tape to sabotage blueprint for recovery, warn insurers".

Truly, it's a red tape apocalypse.

But what exactly is the beef? "There's too much stifling anti-meritocratic equalities regulation suffocating businesses, and a rising tide of environmental regulation and bureaucracy that threatens growth". So its equalities legislation and environmental protection? Or "The biggest costs were rules stopping shops from displaying tobacco and stricter checks on doctors from overseas". So it's health legislation and immigration checks. "The Department for the Environment Food and Rural Affairs said its extra costs came primarily from a shift in rules on sewage pipes. Responsibility has passed from homeowners to water firms for the pipes." OK, its not more red tape, the problem is that only households should suffer, not business? "They are calling for firms with fewer than ten employees to be excluded from unfair dismissal laws to encourage them to create jobs". Ah, the problem is not being allowed to dismiss employees unfairly? "Regulations governing minimum room sizes, door widths and the number of lifts will merely become guidelines". So allowing people to make rooms and doors too small for use will save the economy? "[Government] needs to prevent the 'flow of bad regulation from Europe' from becoming another barrier to growth". Oh, Europe again. "The percentage of time spent on

paperwork has risen from 18.4 per cent of all officer time in 2005 to 19.7 per cent in 2007". Police paperwork? "The blizzard of rules and regulations includes administering complex changes to tax codes, maternity benefits, paternity leave and health and safety legislation". What now, tax and motherhood? "A major initiative to encourage private investment in infrastructure faces a regulatory hurdle that could limit the amount of money committed to new roads, railways and power stations." Now its rules preventing financial institutions putting all their liquidity into risky project? How is one to keep up.

But in one neat chunk of right-wing diatribe we get to the heart of the matter. "They are calling for firms with fewer than ten employees to be excluded from unfair dismissal laws to encourage them to create jobs ... and a clamour for the death penalty - preferably by hanging - to be reintroduced." This one is from the 'wish list' of red tape the public has said it wants removed in a government consultation. And what it shows is that preventing people from being hung by their necks until dead is a problem of 'red tape'. So is allowing speed cameras. But curiously preventing traveller communities from setting up home wherever they like isn't seen as a red tape problem.

What red tape has come to mean is populism in the technical sense married to neoliberal economics. Populism is a way of defining the point at which 'we' becomes 'them'. Red tape is the line at which the majority are beset by the minority. The minority can be liberal do-gooders, environmental bureaucrats, secularists, Europeans, trade unions – anyone who challenges the right to complete free action from the left (but not from the right – a place from which red tape becomes 'common sense'). The neoliberal element is straightforward – business should be above the law, so long as it doesn't physically hurt its customers (or indeed annoy 'the majority' too much by selling petrol, electricity, gas or mortgages too expensively). But the contradictions must me kept to a minimum – on which side of the red tape is 'maternity'? The 'protect the family' side or the 'set business free' side?

Unless we understand that red tape

as an aggregate idea is meaningless then we can't engage with the debate. It means precisely what those deploying it want it to mean. So it is a construct of the Daily Mail and the Institute of Directors. And together they let slip the extent of their ambitions: "At that rate it would take 4,000 years to completely eradicate the £112billion cost of regulation on business" they collectively say. Eradicate? No regulation at all? Complete freedom for big businesses to do as they please?

There can only be one response to this – a relentless defence of the importance of regulation and a rigorous challenge to the baseless arguments for deregulation. I have now ploughed through more Daily Mail than I'd ever want to and found that red tape stories manage to encompass all things known to man. Except one; detailed evidence. Over and over again numbers are thrown around – how much it will cost, how much time policemen spend on paperwork, why teachers say they will leave the classroom. It's only by reading on that one starts to find the holes. I have yet to find a single detailed explanation of why this is costing '£122 billion' (or 'up to £14,400 a year' or whatever). We just have to accept it. I read the story about the school teachers and despite 'red tape' featuring prominently in the headline I could find no mention of it in the story - "The top reasons for quitting were found to be poorly behaved children, excessive workload and lack of family time". And as I read the story about the police I gained not a shred of information about what this paperwork was that they were filling in. It occurred to me that it might be something to do with 'health and safety' or it might well be a result of modern forensics, or data protection or who knows. In fact, red tape is a religion in which you believe, you don't ask questions.

The market will not protect the environment or workers or communities or desist from monopolistic practices if something does not prevent them. It is called regulation. For individual we call it 'the law'. And we should support both for very good reasons. ■

*Robin McAlpine is Editor of the Scottish Left Review and Director of the Jimmy Reid Foundation*

# In praise of regulation

Whether it be global climate change or the impact of a new incinerator in a poor community in Scotland, regulation is badly needed to stop polluting multinationals and to deliver environmental justice. The banks, our energy market and the planning system are just three areas that demonstrate this. In each case the untrammelled operation of a 'free market' produces outcomes which are damaging to society as a whole and often very unfair.

The environmental justice movement arose out of the civil rights movement in America, as a result of increasing recognition that poor ethnic minority communities were bearing the brunt of environmental damage and pollution. While the concept has evolved from 'environmental racism', environmental damage – whether caused by climate change, pollution or over-development – continues to affect the poor and disadvantaged disproportionately.

This is true in present day Scotland: the 2005 Scottish Executive-commissioned report *Investigating environmental justice in Scotland* found that people living in deprived areas in Scotland suffered disproportionately from industrial pollution and poor water and air quality. It's clear that free markets aren't going to tackle this, especially when big business caused many of the problems in the first place.

The Government has spent billions of pounds bailing out banks. Banks that failed in large part because their investment strategies were hugely flawed. The Royal Bank of Scotland – one of the four biggest banks in the world before the recent financial crisis – is now 83 per cent publicly owned, yet it continues to invest our money in companies with questionable policies intent on dirty projects which damage the environment and threaten people's human rights.

It is the UK bank that has been most heavily involved in financing the

global coal industry and tar sands mining in Canada. Tar sands extraction has been described as the most destructive industrial project on earth, producing carbon emissions three times larger than conventional oil and creating devastating impacts on indigenous communities and the local environment; while the coal industry is the biggest emitter of human made CO<sub>2</sub>, and both the mining and combustion of coal is associated



with horrific human rights abuses and environmental degradation around the world.

Unfortunately the UK Government has shown no sign of trying to constrain the lending practices of the bailed out banks, arguing that this will disadvantage these vis-a-vis the rest of the sector. Disappointingly too the Scottish Government, perhaps with the independence referendum in mind, has thus far refused to be drawn on whether it will pressurise the UK Government on this.

Of course the problems with lending practices aren't limited to the bailed-out banks. Earlier this month, a coalition of over 20 leading experts, investors, NGOs and universities wrote to the Bank of England warning of the dangers of a 'carbon bubble', where Britain's exposure to polluting and environmentally damaging investments might pose a systemic risk to the UK financial system and prospects for long term economic

growth. If the Government isn't going to act on the bailed out banks, then it needs to regulate for the whole of the banking sector. Without this, another banking crash is all but inevitable.

Another area where regulation is badly needed is the energy market. More than a third of Scots live in fuel poverty and recent price hikes by the Big Six will inevitably make things worse. Although the right-wing press would have you believe this is all down to renewables, household energy bill increases are being driven by the rising cost of wholesale gas as well as the enormous profits made by the 'Big Six' energy companies who dominate the market (the UK Government's independent advisors the Committee on Climate Change estimate that since 2004, less than 16 per cent of price rises are due to environmental policies, with more 50 per cent due to the rising cost of wholesale gas). A levy on windfall profits, which could then be recycled to fund substantial improvements to the energy efficiency of our

homes, is badly needed.

There are also areas, particularly around energy efficiency, where the Scottish Government could be doing more. People who rent their homes from private landlords are amongst those most likely to be in fuel poverty. This isn't a surprise – there is no incentive for the landlord to carry out energy efficiency measures given they don't have to put up with footing the bill and there is no incentive for the tenant to improve energy efficiency given they don't own the house and therefore won't benefit in the long-run.

Whilst one route to squaring this circle would be publicly-funded programmes and subsidies, the Government claims it has no more money for this and asks why should the taxpayer foot the bill for private landlords' disregard to their tenants' wellbeing and the state of their buildings? Another possibility then is regulation –

## Be grateful for regulation, argues Francis Stuart – it is by far our best defence against the power and influence of big corporate interests

the Government could require landlords in the private rented sector to bring their homes up to a certain ‘minimum standard’, by a given date. If done well, this is one of the main benefits of regulation - the cost can be passed onto those who deserve to pay it.

The more we do to reduce energy demand the less energy we will need to produce in the first place. Yet we will still need a certain level of energy generation. Under Ed Miliband’s reign as Energy and Climate Change Secretary, the previous Government regulated to require new coal plants to demonstrate carbon capture and storage on at least 25 per cent of the plant. Excepting for the ridiculously speculative application that is Peel Energy’s proposal at Hunterston, this has largely been successful in preventing any polluting coal plants being built. The problem is that the UK is now facing a gas glut. The current rate at which consents are given to new gas power stations risks breaking any chance the UK and Scotland have of meeting long-term carbon budgets as well as making us reliant on gas imports and dangerous new methods of extracting unconventional gas such as ‘fracking’. Indeed hydraulically fracturing, a process that involves pumping water and chemicals underground in order to explode rocks and release gases, has led to severe contamination of water supplies in the USA as well as earth tremors in Blackpool last year. In Scotland, Greenpark has started fracking near Dumfries and Dart Energy is exploring other methods of unconventional extraction in Airth. Both new gas plants and unconventional fossil fuel extraction are in desperate need of regulation if we aren’t to become reliant on gas to meet our energy needs.

I’m unashamedly pro-renewables. I believe it is the only genuinely sustainable solution to our energy problems. Yet that’s not to say renewables don’t need regulated too. We do need to ensure that they are properly sited and community and environmental concerns are accounted for. Having said this, its somewhat ironic that its often politicians with a deregulation agenda that are the first to oppose windfarms. What would they do without our planning system?

More seriously there is a genuine

issue of who is financially benefiting from renewables. It would be a shame to look back in 20 or 30 years and think, ‘those multinationals have made a mint from our resources, that’s a shame’. We should explore the route that Denmark has gone down with a ‘community right to buy’ requiring a percentage of new developments to be open for community and non-profit ownership

The planning system is one of the well-established methods of regulation of markets. Although it restricts the rights of property owners it is in fact welcomed by the property development market in general since it gives certainty and reduces risk. It illustrates that that alongside establishing the need for regulation we have to think about who the regulation works for, and whether everyone is able to get the benefits of regulation to which they should be entitled.

Individuals, communities and NGOs have the right to be involved in planning decisions that affect our environment, such as the construction of power stations, bridges, roads and golf courses. When people are enabled to take part in decision-making, this helps to shift the balance of power away from big corporates and developers towards the communities who are affected by these decisions.

On paper, Scotland’s planning system is relatively good. Freedom of Information legislation and consultation standards ensure the right to be informed about developments that affect our environment as well as the right to participate in the decision-making process. However, in practice, individuals and communities are often inadequately informed or engaged in decisions that affect their environment, and feel that poor decisions have been made that will adversely impact on them.

And when people and communities try to legally challenge a badly made decision or a damaging development, all kinds of barriers stand in the way. In fact, the odds are so stacked against the ordinary citizen who wants to challenge an environmentally damaging decision or act that going to court to defend a healthy and clean environment has become a luxury that effectively only the very time- and money-rich can afford.

Recent cases taken to Court, such as the judicial review against the proposed

coal-fired power station at Hunterston in Ayrshire, highlight this. Despite being unemployed, the individual bringing the case was refused legal aid and was required to raise upwards of £80,000 (he was only able to do this through contributions from NGOs and others). At the end of the process two years later, the Judge ruled that he didn’t have standing, or the right, to take the case (because in the eyes of the court he didn’t have a strong private interest, i.e. an adjacent property) and because of the lapse in time between the decision he was challenging and his taking the case (mora).

Fortunately, following our intervention last year in a case at the UK Supreme Court, there has been a crucial breakthrough on the issue of standing. Lord Reed and Lord Hope expressed the opinion that the ‘title and interest’ technicality had “no place” in public interest litigation in Scotland, and that a broad new ‘sufficient interest’ test must be introduced. The ruling was damning about the negative effect that years of judge-made law has had on the development of public law in Scotland, and effectively calls into question the basic premise of applying private law principles in public law cases.

However the cost issue remains and the Scottish Government is dragging its heels. Until going to court to challenge badly made decisions is affordable for ordinary people, then, developers, Government and others won’t feel obliged to properly consult in the first instance and badly made decisions will continue to be made.

Regulation is one of our key defences against the power of corporates. There are others of course; cooperatives and alternative ways of doing things need to be prioritised as a matter of urgency. But if social and environmental justice campaigners won’t stand proud behind the importance of regulatory safeguards, then who will? ■

*Francis Stuart is Policy and Parliamentary Officer for Friends of the Earth Scotland. Just Banking’ conference, 19-20 April, [www.justbanking.org.uk](http://www.justbanking.org.uk). FoES energy campaign [www.foe-scotland.org.uk/lowcarbonpower](http://www.foe-scotland.org.uk/lowcarbonpower) and campaign for access to environmental justice [www.foe-scotland.org.uk/access-to-justice](http://www.foe-scotland.org.uk/access-to-justice)*

# Everything they tell you is wrong

The Coalition Government is out to smite the 'red-tape' beast reared by the 'enemies of enterprise'. It has launched a 'red-tape' challenge to identify the pointless regulation that is strangling entrepreneurship, innovation and investment. It is doing so because economic orthodoxy is unequivocal: lightly regulated labour and product markets are a prerequisite for success in the globalised economy.

In his 2011 Budget speech, the Chancellor put some meat on the bones by repeatedly referring to the nations which had overtaken the UK in terms of competitiveness: Germany, Finland, the Netherlands and Denmark (henceforth referred to as the *competitiveness enhancing countries* or CECs). The message was clear; if the UK is to regain lost competitiveness it is essential that business taxation and regulation are slashed.

Of course, Osborne is hardly alone in pursuing this agenda. All the main parties in Scotland have consistently pandered to employer characterisation of the Scottish and UK economies as over-regulated, over-taxed, overly-bureaucratic business dystopias. A cursory read of recent manifestos confirms this to be true, riddled as they are with silly commitments to percentage cuts in regulation (how is the baseline to be established?) and 'one-in, one-out'.

It seems the political parties of our nation are determined not to learn lessons from the global financial crisis which surely must be understood, at least in part, as a failure of weak regulatory regimes and supine, captured regulatory authorities. More perceptive commentators have traced the origins of the crisis beyond financial market regulation, stressing the role of wider deregulation, particularly of the labour market, in creating the conditions (higher profit share = more damaging speculative activity; lower wage share = rising household debt) in which the crisis was incubated.

But is Scotland over-regulated? What does the comparative evidence tell us?

On any credible comparative measure, Scotland as part of the UK (please note – this is not an argument for or against any constitutional position; I

use this phraseology because very little regulation that affects businesses directly is currently implemented or enforced by the Scottish Government) is a very lightly regulated economy. The OECD, routinely presented as unassailably authoritative when endorsing austerity, currently identifies the UK as the second most lightly regulated product market in the developed world and the third least stringently regulated labour market.

The OECD's indicators of employment protection measure the procedures and costs involved in dismissing individuals or groups of workers and the procedures involved in hiring workers on fixed-term or temporary work agency contracts. The levels of employment protection afforded to UK workers are well below the OECD average and below all the CEC's. Germany, which is widely perceived to have 'reformed' its labour market, retains levels of employment protection well above the OECD average and far above UK levels.

The OECD also publishes a comprehensive and internationally-comparable set of indicators of product market regulation that measures the degree to which policies promote or inhibit competition in areas of the product market where competition is viable. The indicators cover formal regulations in the following areas: state control of business enterprises; legal and administrative barriers to entrepreneurship; barriers to international trade and investment.

The OECD's analysis of product market regulation 2008 found that, out of the 37 countries studied, only the United States regulated its product markets less stringently than the UK. The UK product market (score 0.842) was assessed as less stringently regulated than Netherlands (0.969), Denmark (1.057), Finland (1.188) and Germany (1.328). On the 'barriers to entrepreneurship' sub-indicator the UK again outscored the CECs: UK (0.824), Netherlands (0.871), Denmark (1.15), Germany (1.315) and Finland (1.36).

The World Bank ranks nations in terms of 'ease of doing business'. A country's rank depends on its performance against a set of indicators including starting a business, dealing with construction permits, enforcing

contracts, paying taxes and trading across borders. The UK currently ranks seventh out of the 183 nations covered in the survey. (Hilariously, this represents a drop of three places since the Coalition set forth on its 'red-tape challenge'; seems the Coalition has actually made the UK a harder place in which to do business!).

I guess this is why the Chancellor didn't cite evidence from his favourite international institutions when making his 2011 Budget statement. However, he did cite the World Economic Forum's Global Competitiveness Index, which he tells us shows the UK has lost 'competitiveness' in recent years. Competitiveness, a slippery concept at the best of times, is in Osborne's world, a function only of tax and regulation.

Now let's be clear, the STUC does not regard the GCI as a credible exercise. It is developed using data drawn from two sources:

- international organisations/national sources; and,
- the WEF's Executive Opinion Survey. It is important to bear in mind that the scoring of many of the GCI indicators (e.g. Wastefulness of Government Spending) is dependent only on the answers of business executives to a single question.

However if we are to accept, for the sake of argument, that the survey does tell us something valuable about the concept of competitiveness, then it appears that the Government is learning all the wrong lessons:

- According to the GCI, the UK is clearly not over-taxed compared to the CECs;
- According to the GCI, the UK clearly has a much more flexible labour market than Germany, Finland and the Netherlands. The Danish labour market might be more flexible but it is also much more secure, which is why its singular system is described as 'flexicurity'. The STUC considers it unlikely that the Coalition plans to deliver the level of benefits provided to redundant workers in Denmark anytime soon;
- The GCI pillar on which UK performance is poorest compared to the countries cited by Osborne

**The endless repetition of the deregulation mantra across UK politics has secured it a credibility not merited by the economics, argues Stephen Boyd. We can't deregulate our way to competitiveness.**

is Infrastructure – an approach that focused on this ‘competitive disadvantage’ would look very different from the one offered in the Government’s Plan for Growth. Of course, the Government is currently slashing capital investment.

Although it has sought to protect ‘growth enhancing’ infrastructure, the levels of investment remain weak compared to other nations; and,

- Although there have been some reforms to the labour and taxation systems, none of the CECs has pursued a ‘competitiveness’ first agenda based on tax cutting and deregulation. Neither have Switzerland or Sweden - the most competitive countries in the world according to the index. Sweden, a relatively high tax, high regulation jurisdiction is competitive because it has invested heavily and consistently in its people, research and infrastructure.

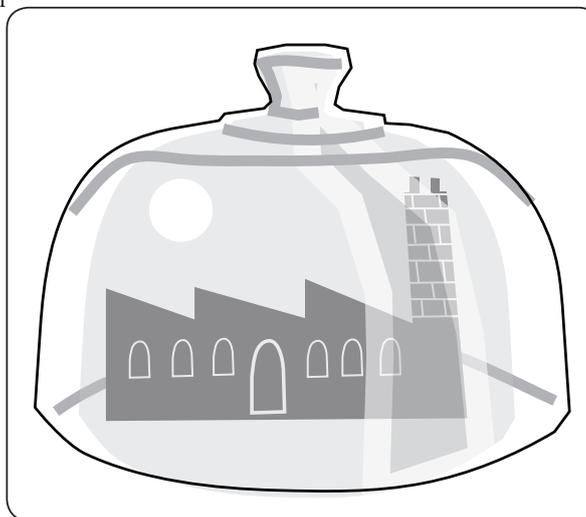
A Plan for Growth that genuinely sought to learn the real lessons of the Global Competitiveness Report could look something like this:

- Increase corporation tax to bring the UK in line with the mean for the CECs and high competitiveness countries like Sweden;
- The additional tax take should be devoted to improving transport and communications infrastructure in order to provide a direct boost to industry and increase the long-term capacity to grow; such investments would also assist in breaking down the regional disparities which supposedly concern the Chancellor. Of course, many would argue that now is the correct time to bring forward capital investment from future years given the very low cost of borrowing and low prices due to spare capacity in the construction sector;
- Meanwhile there should be a focus on improving the UK’s performance in other areas where the CECs perform better and which will exert considerable influence over the UK’s long-term performance on

sustainable growth and job creation: innovation, corporate governance, skills training and intelligent procurement (to boost innovation). There should also be a review to ascertain the long-term economic impact of leaving UK companies considerably more open to foreign takeover than is the case in the CECs; and,

- Similarly, given the coalition’s concerns over happiness and social mobility as well as fairness and sustainable growth, there should be a review of the UK’s flexible labour market to ascertain its impact on these areas. The economic success of the CECs (as noted above Denmark’s flexicurity system makes it something of a special case) despite having much more rigid labour markets challenges prevailing anglo-saxon orthodoxy that flexible labour markets are a necessary condition for competitiveness.

The STUC accepts that the GCR can be used to tell many different narratives; but



the one we have settled on above is, on the basis of the evidence provided, much more compelling than the Chancellor’s.

The STUC does not believe that a plan for growth based on deregulation and tax cuts is necessary or desirable; we believe instead that such an approach will undermine the type of investments – in people, infrastructure and research – required if the UK is to address its genuine economic disadvantages.

The international evidence on regulation and taxation provides no support for the contention, ubiquitous

in the Scottish policy debate, that economic success in the globalised economy is dependent on low regulation and low business taxation. Some of the poorest nations in the world have the least regulation. Countries which are recovering strongly from the financial crisis-induced recession have levels of regulation and business taxation far in excess of the UK. Resisting, not joining the race to the bottom, appears to be the way forward for the economy.

The evidence strongly suggests that the coalition government has its priorities very wrong if it believes further undermining of employment legislation is the path to economic dynamism. The UK labour market is already very lightly regulated in comparison to our international competitors. Countries where debt is lower and exports higher as a proportion of GDP, and where manufacturing remains strong, often have comparatively high levels of employment protection. Of course, these countries tend to invest more in skills, employee engagement (Germany’s system of co-determination for example) and leadership and management thereby facilitating ‘high-road’ approaches to productivity growth.

Although a longer consideration of the causes and effects of growing income and wealth inequality is not appropriate in this article, there is a strong correlation between labour market deregulation and the falling proportion of wages as a proportion of GDP and the higher proportion of GDP accounted for by profits. It will be impossible to realise the coalition government’s ambition of building an economy with strong demand but less reliant on debt if wages continue to fall.

Deregulating product markets may appease those with a strong theoretical and/or ideological approach to economic development but it does not guarantee economic success. It is no accident that the UK and US, the most lightly regulated product markets in the developed world were at the epicentre of the global financial crisis.

**Stephen Boyd is Assistant Secretary at the STUC**

# Workers under attack

The most important tasks facing the labour movement across the world at present are the twin evils of unemployment induced by austerity and the attack on employment laws driven by neo-liberalism. I believe this is the challenge of our times. We are under attack – and I do not use these words lightly – but much is getting lost in the Fog of Austerity as we try to maintain jobs and protect our pensions and pay.

At home in late October last year a report by the Tory donor and venture capitalist Adrian Beecroft commissioned by the Prime Minister stated that it was impossible to make workers redundant. It would be laughable if it was not so serious. As we know currently workers who feel they were unfairly dismissed can make a claim after 12 months in the job – an outrageously long period as it is. This Trojan horse of a report called for an end to unfair dismissal in its entirety. It was a deliberate ploy to lay the groundwork for an attack on this aspect of employment law. The Chartered Institute for Personnel and Development

itself said that the measures could be counter-productive and would not add one job to the economy. Even the Treasury's own figures state that more than 80 per cent of applications made to an Employment Tribunal did not result in a full hearing.

Directly related to this is the aspect facility time agreements which are also under attack by another wing of the Tory neoliberal clan led by Priti Patel. This is despite such agreements – agreed to by employers and unions in the interests of productivity, training, health and safety and more harmonious industrial relations – accruing benefits for the economy of up to £1.1 billion in a jointly-produced report by the previous Government, TUC and CBI. These statistics refute the wild claims of a 'compensation culture' but we aren't dealing with sensible people or pragmatists here.

The Government is making it easier to sack people from April 2012 where workers and their union will not be entitled to make a tribunal case against an employer unless the person

has worked with that employer for two years – although this will not apply in discrimination cases. The Government has said it is looking at a proposal for small firms (employing 10 workers and fewer) to be able to by-pass this process and sack employees via a compensated 'no-fault-dismissal' process. Potentially under proposals being actively considered an employer would only have to give 30 days' consultation notice over large-scale redundancies instead of the existing 90 days.

Despite the self-proclaimed prophet Vince Cable's claim to the contrary, trade unionists know that this will exacerbate the 'hire and fire culture' in the UK and accelerate the redundancy 'notices' via workplace tannoy and by text message. We already have the most deregulated employment laws in the original grouping of EU17 countries. Let's be clear; this will not save or add one job to the economy. To the contrary it is an ideological attempt to make the UK the most deregulated economy in the developed world.

CWU Scotland wishes all delegates and visitors to STUC Congress 2012 a successful conference and an enjoyable stay in Inverness.

 **COMMUNICATION  
WORKERS UNION**

John Brown  
Regional Secretary

Pauline Rourke  
Regional Political Committee Chair

Willie Lawson  
Regional Political Secretary

**The UK Government is using spurious reports and unsubstantiated claims to justify an assault on workers' rights. But, argues Pat Rafferty, there are things that we can do in Scotland to challenge this.**

The larger problem is not employment laws but getting the banks to lend to small businesses, an issue that the Government only pays lip service to. I would suggest the Government would be more productive spending its time on this aspect than pursuing attacks on working people. There is absolutely no link regarding deregulated economies and economic growth as our 'Making Devolution Work' paper was at pains to point out citing the experiences of Scandinavian countries and Germany in particular. It is the politics driving the economics here.

We can also factor into the equation proposals which masquerade as consultation exercises announced by Ed Davey in May last year which also eyed-up changing the Transfer of Undertakings Protection of Employment Regulations (TUPE). The regulation protects the pay and conditions of workers transferred between companies.

Additionally, we have the constant referrals to industrial ballot laws being 'undemocratic' when unions have to jump through every bureaucratic and legal hurdle several times over to conduct

a lawful strike as our BA and recent BESNA disputes have illustrated. Oh and just before I forget there is the not-so-small matter of health and safety laws which have been described by our Prime Minister as being akin to a 'monster' as he vows to 'kill off' health and safety laws. This has obviously been borne out of his experience in factories and working the land!

So where can the Scottish Parliament and Government position itself to fight against this neoliberal tide bashing against us? On many issues the Parliament is taking a stand and is sympathetic to the trade unions position despite many of the issues being reserved – even if the support is mostly vocal we do welcome it. However, what is not welcome is the Scottish Government's (shared by Northern Ireland) expressed position to make our country a low-tax haven through its intention to slash Corporation Tax to levels in the Republic of Ireland.

Let us also be clear that there is no credible evidence that lowering this tax to Irish levels accrues any economic benefits but rather is in danger of creating Celtic beds for hot cash which just flow out the country hence no real tangible benefits. The danger is in the race to the bottom where we all lose and compete purely on who has the lowest rate. Whether the EU would allow such a move is a moot point for the moment because what is important right now is the commitment of the Scottish Government in principle to this position.

Therefore, the question to ask is what type of economy do we seek for Scotland, independent or not

- a Scandinavian model or low-tax haven economy? The Scottish Government can argue that it doesn't have these powers at its disposal but that argument will not wash for much longer as they will have to sketch out in detail their position on employment laws in an independent Scotland. However, we do not need to wait until we are independent or while we remain inside the Union because there is plenty we can be doing through the Scottish Parliament in the intervening period between now and a constitutional referendum.

What can we be doing to re-regulate and strengthen worker protections? The answer is plenty! Unite would prioritise three areas: sector forums; bus re-regulation, and procurement. On the issue of sector forums, while the Scottish Government can't legislate it can support and promote such arrangements in the spirit of improving productivity, efficiencies, skills and training, coordinating targeted investment and wage settings.

Bus re-regulation has been an issue that Unite – and its antecedent union the T&G – has campaigned on for well over a decade now. The Scottish Parliament can legislate on this matter bringing real benefits to workers and communities as well as making a significant contribution to bus manufacturing and the environment. On the final issue, the Scottish Government - if it had the willingness - could legislate on procurement ensuring that more stringent conditions are applied. In doing so, we can ensure workers – particularly those with disabilities - and rates of pay are protected, and that local businesses where possible can benefit rather than foreign companies. After all this is our money and the Scottish Government should be putting it where our collective mouths say it should be going.

So the challenges are massive and as great at the birth of our movement. But we must take confidence in the strength and morality of our argument because unlike the neoliberals our positions have been in the interests of the many and not the few. ■



**Pat Rafferty is the Scottish Secretary of Unite**

# JOIN THE FIGHT FOR JOBS AT BBC SCOTLAND

The NUJ want you to join the campaign against job cuts at BBC Scotland.

At a time when BBC Scotland news and current affairs staff should be playing a leading role in reporting the political lead-up to the independence referendum, swingeing job cuts are being forced through.

Journalistic posts are being lost in Radio Scotland with remaining staff expected to work new rotas to compensate for lack of staff. They are stretching resources too thinly leading to a downturn in quality and at a time when stress levels are already unacceptably high among News and Current Affairs staff.

Experienced editors and documentary-makers are facing imminent redundancy threat which will impact on the ability of BBC Scotland to make decent news programmes.

Popular political and cultural programmes including Newsweek Scotland and Scotland at Ten are facing the chop and there is a growing risk to Radio Scotland's top football shows as management strategies concentrate on forcing through flawed decisions on how to cut budgets.

The NUJ call on Civic Scotland to demand a stop to cuts in news and current affairs in BBC Scotland.

Write to Director Ken MacQuarrie at Pacific Quay or the BBC Trust and demand more resources for BBC Scotland to enable journalistic staff to cover one of the most important political periods in modern history of this country.

Scottish National Organiser Paul Holleran    Scottish Executive Chair James Doherty

[www.nujscotland.org.uk](http://www.nujscotland.org.uk)

# Why we have to up our game

Dave Moxham looks at the position and role of the Scottish trade union movement in 2012. A hostile UK government and a Scottish political scene in flux makes this an especially important time for a voice for workers.

The trade union movement in Scotland faces challenges on many fronts. It continues to have a major role to play in forming and articulating the arguments against austerity and for a fundamentally new approach to the economy and social justice. It does so at a time of renewed attack on trade union organising and employment rights and at a time when the future of Scotland has been brought into sharp focus by the election of a majority SNP Government in Scotland and the promise of a referendum on Scotland's future at some stage during the current parliamentary term.

This time last year, trade unions led one of the largest ever public demonstrations seen in the United Kingdom. In March 2011 over half a million people descended on London to 'March for the Alternative' in an action which underlined the continuing capacity of unions to mobilise, both their own membership and to reach out to wider communities. STUC and affiliated unions chartered trains and buses to make the journey south as it became clear that, building on its own Better Way demonstration on October 2010, STUC and Scottish unions had no intention other than to be in the leadership of protest.

In conjunction with such 'traditional' forms of protest, unions have upped their game in respect of the quality of economic arguments employed and the means of communication. Thus we have seen improved use of digital technology and social networking to improve communication and organising as well as increased co-operation between individual unions and those championing non-traditional activities such as occupation and civil disobedience.

STUC's own 'There is a Better Way' campaign seeks to maintain a clear economic alternative, to strengthen the understanding and confidence of its own members that our arguments are right and provide the platform and support for community organisations and

reinvigorated Trades Union Councils to strengthen local activity. The campaign uniting Edinburgh local government unions and the local community in successful opposition to service privatisation was an outstanding example of how the combination of detailed policy analysis and organising activity can achieve positive results.

Whether locally or nationally, it will be a challenge to maintain and enhance the trade union position as an engine for economic and social policy alternatives in current circumstances. The Europe-wide austerity drive, whilst confirming the fundamentals of our policy critique, has also provided a fillip for the 'no alternative' brigade. The apparent uncertainty of the UK Labour leadership in its approach to economic growth, pay and cuts to public services has at times weakened the developing consensus on alternatives to austerity. Equally unions continue to face a hostile media limiting available avenues for communicating our position, whilst the job losses across the economy and attacks on facility time impacts on organising and membership levels.

In this context, the November

30th Pensions' Day of Action was a vital show of strength, indicating the capacity of the trade union movement across Scotland and the United Kingdom to mobilise on an almost unprecedented scale and increasing union membership density even while overall employment continued to fall.

Equally, the patient approach to

building the case for the alternative appeared to pay some dividends. The Coalition Government clearly calculated it would win the propaganda war over the facts of the pensions' dispute and the consequent battle for public opinion. It seemed particularly certain that its cynical attempt to divide public and private sector workers would be effective. The reality was different. An opinion poll commissioned by BBC News on 28th November suggested that 61 per cent of people believed public sector workers were justified in going on strike over pension changes and younger people showed particular sympathy – nearly 80 per cent of 18-24 year olds supported the

action. Particularly heartening for us were figures finding unions to be the most trusted body on the provision of accurate information on the affordability

**The STUC is also seen by some as the 'natural creator' for, and sponsor of, 'the third option' – some form of enhanced devolution. Our approach thus far has been more circumspect. Assumptions that the Scottish Trade Union Movement can automatically put forward a 'Home Rule short of full independence' position based on its traditional role require further examination in the context of last year's election result.**

of public sector pensions, with 33 per cent of those asked rating unions most highly and the government scoring just nine per cent, with business leaders on 13 per cent.

Notably a number of disputes centering on private sector pensions, not to mention other conditions of employment have developed giving the lie to the propaganda that unions are uniquely public sector organisations.

The Scottish Government's statements opposing UK Government pensions' proposals was welcome, but was, in the eyes of many union members, undermined by its subsequent decision to continue with Parliamentary Business on November 30th rather than support a Green/Labour motion to show full solidarity with the strike. The warm words also belied a willingness to propose any real alternatives in pension schemes where the Scottish Government have

discretion.

Some scheme-specific talks have now opened at a Scottish level and while negotiations continue down south, the potential for further industrial action is a clear possibility.

STUC's main campaign and policy themes continue to be jobs, services, fair taxes and a living wage. Not only does unemployment continue to rise, but such employment as is being created is overwhelmingly part-time and low paid. The flip-side of a lower-than-expected fall in unemployment at the worst of the recession has been the expectation of a largely jobless recovery if and when improvement begins. Youth unemployment is a national disgrace, as are the workfare policies being promoted in the stead of meaningful investment in people. STUC is also working to ensure that the highly worrying recent trend on women's unemployment is

addressed. In both these respects, unions expect to continue a clear focus on defending public services and to highlight the importance of public sector procurement as a driver both of employment, proper employment standards and training.

The Congress 2012 agenda reflects many of the aforementioned concerns. As well as unemployment, debate can be expected to centre on trade union and employment rights, pensions and public services. But the agenda will also reflect the massively-increased interest in Scotland's constitutional future with motions and amendments on the subject from

many of STUC's major affiliates.

Much is expected of the trade union role in shaping the arguments and playing role in deciding the future of Scotland – both in respect of policy and process. This is partly due to the historical role of STUC as a driver for devolution and the creation of the Scottish Parliament. It has thus been assumed by many that STUC will adopt its 'traditional' civic role, akin to that played as part of the Constitutional Convention. It is also seen by some as the 'natural creator' for, and sponsor of, 'the third option' – some form of enhanced devolution.

Our approach thus far has been more circumspect. Whilst STUC continues to see a central role for unions in civil society and whilst it believes all options must remain in the table at this stage, it also recognises that objective conditions have changed. There is now a Scottish Parliament, and it is at least arguable that a need for a civic/political body to articulate Scotland's views has been superseded.

Equally, assumptions that the Scottish Trade Union Movement can automatically put forward a 'Home Rule short of full independence' position based on its traditional role, require further examination in the context of last year's election result.

This notwithstanding, there is an appetite among trade unions to consult members – a process which in some cases is already underway. We also see the need for a deeper, fuller, calmer, more rational debate than we have hitherto seen – a discourse which needs to take place throughout Scotland's communities. If we can play a positive role in facilitating that, we will.

Fundamentally however, Scotland's unions will wish to see all future constitutional options, including the potential for enhanced devolution, considered through the prism of economic and social justice, environmental sustainability and the empowerment of communities. The current economic crisis is not a passing phenomenon. As our 'There is a Better Way' campaign argues, a fundamental shift in economic power and democratic accountability is required. Assessing what type of Scotland will be best empowered to meet that challenge is not a decision to be taken lightly. ■

**Dave Moxham is Deputy General Secretary of the STUC**

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# The Foundation needs you

Like me, you must be sick of switching on the television or radio or opening a newspaper and wondering whether half of the writers and commentators are living in the same world as the rest of us. Or perhaps it's the same world, just a different century.

We're living in the middle of a worldwide crisis of economics and politics. In Scotland we're now seeing the beginning of a serious social crisis as well as the impact of austerity begins to hit households. But what is it that half of our commentators want to talk about?

Mostly we seem to be getting more or less the same story we got when 'everything was fine' - or back in the days where banks and businesses were running up giant hidden debts and liabilities but calling it 'economic growth'.

Before things fell apart it was all about privatisation, attacking workers' rights, giving more money and power to big corporations and cutting back the public sector. And now? Well, if you believed the comment pages in the morning papers, the answer to the crisis is the same as the madness that caused it.

In Scotland things are a bit different. The political parties most gung-ho about cutting the public sector and privatising anything that doesn't move are nowhere near power. Things like the privatisation of Scottish Water are just not on the agenda. And yet sometimes it seems like every second person on Newsnight Scotland is there to tell us that we're all making a mistake by not handing the private sector highly valuable public assets.

It was this frustration that led us to set up the Jimmy Reid Foundation. It seemed crazy that Scotland has had a number of right-wing think tanks but not a real left-wing one. This is even more important because of the way that lobby groups (like the CBI) and think tanks have started to almost merge into one and other. It just meant that way too many of the voices whispering into the ears of journalists and politicians were saying the same thing.

Scotland needs a strong, unified voice from the left. There has been too much energy spent fighting ourselves and not enough spent picking a few big ideas we want to see become reality in

Scotland. We decided that if this was going to happen we needed three things.

First we needed to support and bring together people who can think up the big ideas which will change Scotland. There are lots of very clever and thoughtful people on the left in Scotland but they are mostly very involved in political parties, academia or social campaigning. And neither political parties nor campaigning groups are in the best place to step back and do the thinking because they are permanently under

pressure just to keep going. People have day jobs and an awful lot of people already see their free time taken up by campaigning. There needs to be a way to step back and think a bit more about the big picture and setting up the Foundation seemed like a good way to try.

Second, we needed to get over the problem of a divided left. It is odd that the part of the UK which seems most dominated by left-wing politics is also the bit of the UK where left-wing politicians seem to find it hardest to work together. Split between the SNP, Labour, the Greens, the SSP, Solidarity, the Communist parties and more, too much energy goes into fighting ourselves. We thought that if we could try and bring people together round specific ideas (and not new organisations or a new party) it would be the best possible way of realising the real strength of the left.

And thirdly, we need to be really on the ball about how we do things. Other think tanks and all of the big business groups have an army of professional media companies and specialist lobbyists who make sure that they nail home the messages they want journalists and politicians to hear. The left has never been that professional in the past and sometimes the 'make do and mend' attitude has served us well. But it does mean that we give the other side too much of a free run when it comes to

setting the agenda in the press and the parliament. So the Foundation is also about being a bit more professional about getting the message out.

We launched our fundraising campaign in August and then we spent six months working really hard to get everything set up. We have the support of a group of high-profile Patrons. We have put together a Project Board to steer the work of the Foundation and we've managed to get some really good people. We had to do all the admin

and get websites set up and start to make contacts and so on.

But above all we had to produce some really good work. We knew from the outset that we would only be considered as good as the reports we produced and so we started working away to try and get a string of important pieces of work going. And it came to a head when we launched our first report at the beginning of February.

Written by Jim and Margaret Cuthbert it looked at public sector procurement in Scotland and found big problems and big opportunities. Now public sector procurement isn't necessarily a subject that keeps me awake at night but it was the perfect project for our first report. What we found was that big business had shaped procurement policy in Scotland in ways that suited it - often at the expense of smaller business and the wider public interest.

Scotland spends £9bn on public procurement every year and yet the policy that dictates how that money is spent makes no mention of economic development never mind social benefit. It was designed on the assumption that bigger is cheaper and cheaper is better. And so we have just about the biggest and most expensive procurement contracts in Europe.

With just a little bit of a change in policy we could turn this round, addition conditions to contracts to benefit

**We've made a great start with the Foundation but we don't have a sugar-daddy. If we're going to keep up the pressure we need your financial help**

**Bob Thomson gives a quick update on all the work of the Jimmy Reid Foundation since it launched, encourages you to get involved and asks you to play your part in securing its future by making a regular donation**

communities and the environment, designing contracts so smaller Scottish businesses have a chance of winning them and making sure that we both encourage and retain research and development expertise.

This has been raised in the past and the response was that nothing could be done because of EU law, but the report makes clear that this is nonsense and that other countries already do exactly that.

All of this is exactly what we wanted to do - proper evidence not slogans, real workable ideas not polemics, challenging vested interests claiming that corporate interests and the public interest are really the same thing. And it seems like it has had a real effect. The coverage we got for the report was wonderful and already the Scottish Government says it is going to take on board the recommendations in the report. We're going to do some follow-up work, but we think that the Foundation is already having an impact on life in Scotland.

While all this was happening we were launching our website. At first we thought of the website as just a place to keep reports, but since we announced the Foundation everything has changed. We've been overwhelmed (and not a little surprised) by just how many people want to be involved with the Foundation and its work. People told us that they wanted to be able to make suggestions about our work programme in a really open and democratic way (not just a think tank of experts talking down to the rest). So we've done it. And people told us they wanted to be part of a community, to talk and debate the state of Scottish, UK and world politics. So we created the Network, exactly that. It is free to join and every day on our website there is analysis of the days news that you can debate and discuss with others that feel the same way. We've got a news section, a diary of events, a library and many more resources we think people will find useful.

But we aren't being knocked down by large corporate donations falling through the letterbox. We've made a great start with the Foundation but we don't have a sugar-daddy. If we're going to keep up the pressure we need your financial help. If you go onto the website you'll find the opportunity to give us a regular donation. Even £3 or £5 a month will make an enormous difference to us. It is the only way we think we can keep building on our good start.

So please help by donating if you can, please join the Network and get active, and please contribute your own ideas to our work. It is the kind of open, inclusive and radical project Jimmy himself would have loved and we hope it will prove a fitting legacy.

But it's not about legacy, its about changing Scotland now. We hope you'll join us and play your part. ■

*Bob Thomson is Convener of the Jimmy Reid Foundation*

[www.reidfoundation.org](http://www.reidfoundation.org)



**With fraternal  
greetings to all  
delegates  
attending  
congress**

**Alan Paterson  
Chair**

**John Duffy  
Secretary**

# A very public victory

On 19 January 2012 the City of Edinburgh Council voted against privatisation of the massive swathes of services which it had bundled up in its Alternative Business Models programme. Taken together, the planned seven-year contracts would have been worth around £1 billion. The 'Our City's Not For Sale' campaign had culminated in total victory.

When we launched the campaign to prevent these privatisations in 2010 the city's services *were* for sale. It appeared then that the private contracting industry would win a massive bridgehead in local government in Scotland. This campaign was therefore of more than local significance. The success was a testament to the effectiveness of campaigning by UNISON and the determination of the local campaigns against privatisation which sprang up. But it was also a test of the strength of opinion underpinning the Scotland's public service model. In this article, after an account of what happened I offer some thoughts about what it shows about Scottish politics.

The Alternative Business Model programme was the 'big idea' of the Lib Dems, largest party in the council administration elected in 2007, even though their manifesto had said that they were against further outsourcing. It was all about privatisation, though there were certain features which allowed it to be presented differently. The main objectives were 'cash-releasing efficiency savings' and 'plans for service improvement'. This would be achieved by a process of 'competitive dialogue' with potential contractors, through which the best private contractor would be selected as 'strategic partners'. A public sector comparator (PSC) would also be developed to show that the process would offer real additional savings. The ABM process selected groups of services and activities carried out across departments and bundled them together:

- Integrated facilities management - maintaining public buildings, janitorial and security services, cleaning services and school meals.
- Corporate and transactional services - Council contact centres, Council Tax and housing benefits, business rates and parking permits, procurement and human resources

- Environment services - waste collection and recycling, street cleaning and parks.

The City of Edinburgh UNISON branch launched the 'Our City's Not For Sale' campaign in March 2010, knowing that fragmentation of the workforce into employees of four different organisations would have been a starting point for attacks on conditions and pay, loss of members and seriously weakening of the union's organisational position. The big fear, however, was that this would be the start of outsourcing or privatisation in local government across Scotland; that private contractors would bid low to win the contracts and then even risk losing money in order to get established here; then use them as the bridgehead from which to spread across the rest of the sector. In parallel the UNISON branch had also accepted the Council's invitation to take part in the ABM process – not an easy decision because it involved representatives agreeing not to share information given to them and perhaps appearing to endorse a process designed with spending cuts and privatisation as an objective.

By June 2011 the Council was saying evaluation of bids for two of the contract areas would be reported in August with recommendations on selection of preferred bidders – in effect the signal of intent to privatise. Almost nobody knew about this so UNISON decided to campaign in the short term for 'no decision without consultation'. Delay would bring decision time closer to the Council elections in May 2012. It launched an e-petition and invited councillors to its own 'public consultation' meeting on 27 June. Only Labour politicians turned up (Labour and Green councillors had opposed ABM all along).

The meeting alerted around 100 activists about the threat of mass privatisation. Councillors were soon getting emails and being asked why they were doing this. To some extent the story was in the shadows of the trams fiasco and so 'worse than the trams' was adopted as a key campaigning message. If the council couldn't handle the trams contract how could it manage the three massive contracts worth £1 billion in total? Another key message was the bias

in favour of private bidders. The most obvious example was that private bidders were allowed to close access to the Lothian Pension Fund to new recruits.

At this stage, the most significant development was the setting up of local campaigns in East Edinburgh, North Edinburgh and Leith. Meetings were also organised in Southhouse and the city centre. Campaigners found that Lib Dem and SNP councillors knew very little about the ABM process and did not have any clear views about it either! Lib Dems took the standard council position that if the best private bidders could show 'step changes in price and quality' they would get the contracts. SNP councillors said the same but also started to say that in principle they were in favour of services being provided in-house.

The SNP's shift in the right direction has to be attributed to lobbying from outside and debate within the party. We guessed that the views of SNP MSPs would be as important as those of councillors, and when we sought meetings with our MSPs Kenny Macaskill organised a meeting with all of the five SNP MSPs in Edinburgh, an indication that they were taking the issue seriously.

Labour councillors by contrast were well briefed and opposed to the process. Throughout the campaign the Labour MSPs gave solid support and advice. The benefits of UNISON's participation in the ABM process now started to be seen. Using their detailed knowledge, UNISON officials had briefing meetings with the party groups in the council which allowed them to hear an authoritative view distinct from that of the council's top officials. Over the months from June to October the campaign grew, with public meetings, lobbies of the Council, rallies on the Mound, petitioning, local meetings, lobbying of councillors and regular use of electronic media. In contacts with the public we found deep public suspicion of private contractors, and often clear hostility to this kind of privatisation.

The date for the first decision was put back, more than once. Eventually papers recommending the selection of Enterprise as the preferred bidder for the Environmental Services contract were circulated for the Council meeting on 27

## Matthew Crighton charts how the campaign to reject the privatisation of Edinburgh Council's public services achieved victory and what this tells us about the state of Scottish politics.

October, on the basis of an assessment saying it would give more savings than the PSC. UNISON advocated councillors taking 'the right decision for the right reasons' rather than just abandoning the process - that would allow officials to tell councillors that they could be sued by the companies for the costs of preparing their bids. Instead, using the Best Value framework, councillors should take into account a range of factors which were not included in a narrow price comparison.

At that Council meeting the SNP group proposed, and the council agreed, to delay the decision by a month. In addition it decided to hold a public consultation. That event was badly organised, hearing only the case for the Enterprise bid, rather than a comparison of the private and in-house options. But audience members expressed varying degrees of hostility to privatisation and posed numerous well-focused questions. Only two contributors were in favour of privatisation.

At the 24 November Council meeting the SNP group joined Labour and the Greens to create a majority against privatisation, to the intense annoyance of the Liberal Democrats, who voted with the Tories. Two months later Council also rejected proposals to proceed with privatisation of the other two service areas. The campaign had been successful! We had held the line against the advancing forces of privatisation. In doing so we had strengthened support among members and the public, which will be called on as we confront the underlying problem at the Council – massive cuts in expenditure. However in the process of fighting privatisation the unions members have accepted, or at least gone along with, some radical changes in organisation and staffing proposed under the in-house options – jobs will be changed and jobs will be lost, though not as many as through privatisation and there will be no compulsory redundancies.

Despite these qualifications this was a great success and it is worth examining what it tells us about Scotland today. We started unsure how much people in Scotland care about who provides their public services. We now know that a substantial layer does care and is

prepared to campaign vigorously against privatisation. What is notable in the UK context is not just that the campaign happened and that it stimulated neighbourhood campaign groups, but also that it was successful. If it is true that this result would have been less likely in England, where many such 'strategic partnerships' have been set up, what are the reasons?

The British Social Attitudes Survey shows that "although Scotland is more social democratic in outlook than England, the differences are modest at best". I expect that attitudes in several regions like the Northeast and the Northwest of England are similar. Equally, although trade unionism is relatively well-supported in the Scottish public sector this is not specific to this part of the UK alone. What is different, in my view, is the likelihood of success of a campaign against privatisation, which in turn influences the willingness to campaign actively. There are three elements of this which I want to mention.

The first is that the social democratic model is better entrenched within the Scottish 'body politic' than in England. Many people are better-informed than me about the history through which this has come about, so I will only refer to some of the most obvious evidence which shows this is the case – the consensus around comprehensive schooling, the retention of Scottish Water in the public sector and the management of the NHS.

The second is the weakness of the pro-privatisation forces. Out-with the debates with the council we did not encounter any serious push in favour of privatisation. Only a couple of advocates of marketisation turned up at the council's 'consultation' event. There were no fulminations in the editorials of the Scotsman, no think tanks pushing this up the news agenda.

The third of course concerns politics, and in particular Scottish nationalism. At the start it would have been difficult to distinguish the SNP's position on ABM from that of the Lib Dems - they had agreed to set the process in motion and would be interested to see what came out of it! What attitude should a nationalist party take to questions

about how to organise public services? On the one hand one might say that neither an in-house or an out-sourcing approach is intrinsically Scottish. On the other, there are arguments that they should be cautious about a process which might see control of and profits from service provision go to companies based over the border.

In fact the position taken by the SNP on controversial local issues appears often to be determined by the impact on national politics, which is logical for a party whose over-riding objective is a national vote for independence. In this case we realised that we had to make the issue of privatisation in Edinburgh council an issue for the national party. The SNP wants to be popular and to give reassurances about a nationalist government so a public row about supporting a classically Tory (and rather English!) policy would be counter-productive. Of course this does not mean that some individual SNP members, MSPs and councillors do not have deeply-held and articulate views against privatisation.

The ABM campaign was a test of the commitment to the Scottish public service model and of the forces underpinning it. It seems remarkable that without the commitment of a few union activists to pursue this campaign, a serious breach in its walls could have come about almost carelessly. Through the campaign, however, its foundations have been reinforced because it has re-run the arguments about privatisation, won them within the ruling party in the Scottish Parliament, consolidated them among an important layer of activists – and shown that we can win.

In retrospect it can be said that the underlying balance of forces were in fact favourable though it did not seem like that at the start. This stems from the overall positioning of the SNP which knows that to be electable it has to compete on social democratic territory. In turn this stems from the creation of a social democratic consensus within Scotland, in large part out of the struggles of the labour movement over the years. ■

**Matthew Crighton is Vice-chair and Labour Link Officer for City of Edinburgh UNISON**

# Money is not wealth

To understand our current economic problems we should start with Adam Smith. By his observations and enquiries, of the early development of capitalism, mainly in Glasgow, Smith used his knowledge and insight to probe into what we would now call economics and came out with some very interesting ideas. Perhaps the most significant of his ideas was about the role of the 'market' in a capitalist exchange system. He showed that the "market" although set up primarily by producers of goods and services for their own purposes, soon took on a life of its own, because it brought consumers together and gave them power, and this forced producers to meet its requirements which often conflicted with theirs. This view of the significance in economics of the 'free market' has been at the centre of economic theory ever since and remains so, and virtually all economic theory is related in some degree to this concept, Marxist theory not excluded.

Adam Smith ideas have since been stretched and distorted to the extent that he is cited as justifying greedy capitalism. In this way Adam Smith's 'free market' theory which recognised the market's power to influence even the people who had established it, was converted to the 'magic power' of the market and was developed and exaggerated until it would have been entirely unrecognisable to Smith himself. One hundred years after his book was published the 'Classical Economists', who were all Adam Smith enthusiasts, were teaching 'laissez-faire' economics which postulated that the 'free market' had powers of self regulation and would adjust itself back into 'equilibrium' if left to its own devices and 'freed' from human 'interference'. What Smith had taken pains to show and prove scientifically, they had turned into an act of faith or religious believe which did not require scientific explanation.

Karl Marx did understand Smith and his materialist (scientific) approach. He also of course had the views of the 'Classical Economists' to look at as well. Marx accepted Smith's views on this and the significance of the 'free market' but he rejected the 'Classical Economists' nonsense about a self-regulating market. He pointed out that far from being self-regulating the market was in fact unstable

in two specific ways, and that left to its own devices the market would get out of control. It is the first of these that I will consider in this article.

To-day we can observe three distinct theories of economic development at work. What I will call;(1) The Chinese growth model, (2) The Keynesian model and (3) The Neo-Classical model, but since we are concerted with the Scottish economy I will leave the Chinese Growth model to one side. Marx's first comments on the stability

of the market related to the regular fluctuations in the market caused by the exaggerations in investment in 'capital goods' as the result of minor changes in market demand for 'consumer goods', and how this would lead to regular and increasing market fluctuation if not controlled. This aspect of the market's inherent instability was picked up later by Keynes and is now widely understood.

What Keynes identifies is that the market does not have a natural tendency to stable growth in 'equilibrium' which would ensure that all labour resources are engaged. Indeed the opposite is the case; because of the relative size and significance of capital goods production in relation to consumer goods production the market will get out-of-line when growing and create wild fluctuations. What we know as 'stop-go' or 'boom and bust' or regular 'recession' and 'recovery'. In 1936 following years of explaining his ideas in papers and pamphlets Keynes finally wrote his great book *The General Theory of Employment, Interest, and Money*. After the experience of the Great Depression Keynes pointed out, as Marx had done before him, that this was a natural consequence of a free or unregulated capitalist market and if not addressed it would happen again and again and each time it would be more profound.

Keynes' views were of course not taken seriously. Indeed they were soundly rejected by the classical economists of the day, which of course was virtually the whole international establishment of economists. However in 1933 President Roosevelt in some desperation and in the teeth of strong opposition from

the classical economists of the day, used public investment to build the Hoover Dam and contrary to all the dire economic warnings it proved to be a great economic success. Adolf Hitler, however, without any

**The important thing about any economic theory is that it should be subject to testing in the real world. Smith, Marx and Keynes ask you to use logic to judge their theories. Neo-classical economics requires blind faith.**

intent, proved Keynes's theory to be correct in a very significant way because, again in the teeth of vigorous opposition from German classical economists, he decided to spend huge amounts of public money to build up the economy with the autobahns, Volkswagen and military expenditure, and instead of destroying the economy, as economists confidently predicted, it allowed it to develop far better than its neighbours.

The Keynesian theory predicts that if there are unemployed labour and natural resources then the Government can print 'money' (which is just paper not wealth) and invest it in real economic activity which will increase real production and turn the 'paper money' into real wealth. He shows that in this process the public investment put in will result in a multiplier effect which will significantly increase the national wealth depending on a number of factors. To many people the Keynesian idea that the Government should spend more money when demand is falling and the economy is shrinking appears counterintuitive, largely because the capitalist media discuss this as though national income was a fixed sum and that public investment is 'expenditure' which it is not. But if you remember that money is not wealth but that real wealth is the goods and services produced then it is obvious that a country

## Andy Anderson explains how to understand the current financial crisis we need to get beyond the slogans of neo-classical economists and instead take a more informed look at the development of current economic theories.

can't become wealthier by reducing or restricting production. Only by increasing production can it do that, and if money can be used to help it do that then it makes perfect sense. What is nonsense is that it is easier for the country to pay back debts, real or imagined, by restricting or reducing its production (wealth) as the present Con-Dem UK Government want us to believe. What that will do is redistribute income towards the rich, but it will not increase total wealth and is not designed to do that.

Classical economists never forgave Keynes for questioning faith in the free market but in the years following the Second World War the Keynesian model was the dominant economic model used in the capitalist world and it was highly successful at keeping up high levels of employment and relatively sustained economic growth. This model, like Keynes himself, was never really entirely accepted in the USA although American industry and the American economy had blossomed in the increasing demand from Europe which Keynesian policies were creating there. It was this recognition in the real world that gave Keynesian economic theory the firm base which it developed in capitalist countries and which it still holds.

A small minority of economists refused to accept Keynes' theory in spite of the overwhelming evidence for it in the real world. Neo-classical economists (though not actually 'new'), the 'Chicago School', Hayek and Friedman and so on held to unswerving faith in the free market. They first appeared from their long obscurity on the world stage in 1970 as the 'intellectual' force behind the murderer Pinochet whose Government was happy to experiment with Friedman's neo-classical economics on the no longer democratic Chile. History shows what that experiment did for the Chilean people and economy. It impressed Sir Keith Joseph and Margaret Thatcher of course, and this left a strong footprint in British economic policy, but this 'monetarist' version of neo-classical economics had a very short shelf life.

People tell us and write about public spending 'crowding out' private investment, and so public expenditure must be cut in order to allow the 'natural' private investment to flourish. This

of course is just another variety of the neo-classical nonsense. The 'logic' is that public investment 'interferes' with the market's 'natural' tendency to self-regulate. This has no logical base. They are back to the magic again and have ditched the science.

The important thing to remember about any economic theory is that it should be logical and explainable and subject to testing in the real world. Adam Smith, Karl Marx and John Maynard Keynes ask you to use logic to judge their theories and that is all you need. Neo-classical economics requires blind faith; blind faith has no place in economic theory. If we look around the capitalist world to-day we can see distinct versions of the Keynesian theory and the Neo-classical theory of economics being advocated. The present UK Government is perhaps a good example of the Neo-Classical theory; cut public investment in order to pay of debts and depend on private investment taking over naturally (as the market self-regulates) to bring us back to full employment. The fact that this has repeatedly failed historically is ignored and the mantra that we have no alternative is being used again to defend this incoherence. The British Labour Party has followed sheepishly behind.

On the other hand if we look at some of the Scandinavian countries you can observe that they have adopted a Keynesian model of development and use a large and diverse public sector to help regulate the free market. As a result they have had less economic instability, have not squandered their natural resources and are per capita much wealthier than the British.

The Scottish Government is the only Government structure in the UK which has adopted a Keynesian model of economic development, but it will be unable to effectively carry this through without the economic levers of power which would ensure it. For example, While the Scottish Government is using public investment to stimulate growth, the UK Government is decreasing public investment in Scotland thereby destroying the effects of the positive investment. And where Scottish Government investment is successful, leading to increased tax intake as the Keynesian model predicts, this increased

tax revenue will be siphoned off to the Westminster Treasury and not fed back in as the model requires. That is one very important reason why independence, or at least fiscal autonomy, is vital for the Scottish economy.

The Capitalist world is currently confronted by a financial crisis which is threatening to wipe out international currencies entirely and to decimate the economy of many countries. If we take Greece as an example, Neo-Classical advice is that they stick to the current international currency they are in, at the same level, and cut public investment, while selling off public assets (at extremely low prices) in order to solve their 'debt' problem. But everyone knows this medicine will made the patient worse. It will clearly not allow economic growth, but it will redistribute wealth towards the super rich, which is its real objective. No one can be in any doubt that countries with a Keynesian model, and with significant public sector resources and assets, will be in a better position to survive this financial crisis even if the currency they are currently using does not.

This is the model which Scotland needs to hold to, get control of the economy from the Con-Dem wreckers, hold on to the public resources and assets and employ a Keynesian model of economic development as the present SNP Government is trying to do. We need not concern ourselves with what happens to the Euro, Dollar or Pound, because some, if not all of these, may fail during the crisis, and it is real resources which will be important. Scotland is presently tied into all three of these currencies because although it is officially using the Pound, its oil resources are tied into the Dollar and its exports and tourist income is substantially in the Euro sphere. Therefore any disruption in any of these international currencies will affect Scotland. But remembering that money is not wealth we should be more concerned to protect employment and production than currency. ■

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# Life under a destructive shadow

**“OUR AIM MUST BE THE ESTABLISHMENT OF THE WHOLE QUALITY OF LIFE. IT REQUIRES A SOCIAL AND CULTURAL, OR IF YOU WISH, A SPIRITUAL TRANSFORMATION OF OUR COUNTRY.”**

Jimmy Reid, Glasgow University  
Rectorial Address, 1972

Both authoritarian communist and neoliberal capitalist systems have failed miserably to satisfy genuine human or planetary needs. If Jimmy Reid could say in 1972 “that anyone who can be totally adjusted to our society is in greater need of psychiatric analysis and treatment than anyone else”, what might be said of today’s corporate, banking and financial executives, conservative economists and politicians who still uphold the ‘unfettered’ free-market creed?

The ‘credit crunch’, climate change and famine in Africa are the ultimate wake up calls to Governments and public alike to take stock and address the crisis of human values at the heart of our economic and planetary dilemma and ask the question just what kind of world and society do we wish to recreate and leave to our children and grandchildren? Does this global financial crisis, if it is not to be repeated in its present anarchic form, demand challenging extreme forms of capitalist doctrine and its unfettered and nefarious global practices in order to remodel an economic system which is compatible with shared moral and ethical values that have human need, human dignity, altruism, benevolence and compassion at their heart?

Are these not the values that inform our common humanity and provide a framework for ‘service’ to our fellow man which Jimmy Reid said was the only way to gain ‘real fulfilment’ as social beings? His clarion call, in the Rectorial Address of 1972, was to replace ‘greed’ with ‘social need’ which he felt was possible given the ‘creative re-orientation of society’ in order to eradicate the scourges associated with putting excessive profit before people.

Jimmy Reid was a politician, idealist and visionary who understood that people had to challenge what William Blake referred to as “mind forged manacles” which kept men and women enslaved to outdated established ideas. There is a long

tradition of men and women who have challenged such ideas and regimes that use every undemocratic and bureaucratic means to shore up their repressive authority. Andrei Sakharov, Lech Walesa, Adam Michnik and Vaclav Havel are but four pillars of moral leadership among many more unsung, selfless individuals whose pursuit of truth - whatever the personal cost – shattered the behemoths of reaction, privilege and power.

Although historical circumstances determined that Jimmy Reid never had to confront totalitarian governments his moral stature was tested in the UCS struggle in defence of working men’s livelihoods through which workers, for a brief interlude, were given the responsibility of power and ownership. In that process he demonstrated that he came from the same mould of moral leadership whose credo is ‘the power of living in the truth’. Commenting on the death of Vaclav Havel and the present circumstances we face, Jeffrey Sachs said this:

“...Today’s reality is a world in which wealth translates into power, and power is abused in order to augment personal wealth, at the expense of the poor and the natural environment. Moral leaders today should build on the foundation laid by Havel. Many people ... now despair about the possibilities for constructive change. Yet the battles we face - against powerful corporate lobbies, relentless public relations spin, and our governments’ incessant lies – are a shadow of what Havel, Michnik, Sakharov, and others faced when taking on brutal Soviet-backed regimes.”

(The Power of Living in Truth :  
Social-Europe Journal )

With respect to moulding moral behaviour, Jimmy Reid passionately believed that education - no doubt infused with an assertive philosophic and ethical dimension - had to play a significant role in liberating minds and in this sense his Rectorial Address was not only a manifesto for action, it was a call for a ‘spiritual transformation’ -in the broadest sense of that term-intended to profoundly change our perception and consciousness of what it means to be truly human. Even Burns’ recognised that

to achieve the ideal of the brotherhood of man, men and women had to be “in virtue trained, enlightened youth”.

Jimmy Reid reminded us, most of all, that we are human beings not ‘rats’ and that we ought to live up to that possibility and potential. He also reminded us that an economic ethos practised as if everyone and everything is a commodity to be bought and sold and pursued in isolation of political and social responsibility leads inevitably to a grotesque distortion of human values and is essentially amoral.

Jimmy Reid was also aware that such a transformation of society could not be achieved overnight and in today’s conditions would be a protracted commitment and involve cooperation on a global scale, driven by the re-emergence of radical labour, social democratic and Green movements. He was keenly aware that under the influence of an impersonal economic system, men and women were ‘miniaturised’ and reduced to ‘units of production’, or as is the case in the 21st century, units of consumption. His principal life’s concern was to raise the status of men and women, all men and women and not just the privileged few, to the highest level that humanity - as the most gifted species on earth - could possibly aspire to given the appropriate political, economic, social and spiritual nourishment.

At the present time, dogmatic, neo-liberal assumptions promoted by a series of Westminster, Thatcherite governments have contributed to the individualistic, self-serving values currently tearing our social, political and economic fabric apart and undermining our sense of community, cooperation and service. The distorted values emanating from these assumptions have infected the whole of Western culture to varying degrees, including Scotland. But moulded by the Scottish Enlightenment, Burns’ egalitarian sentiments and an increasing awareness of a distinctive Scottish identity, the Scottish ‘common weal’ consciousness is perhaps better placed to give men and women the incentive and impetus to create a society which embraces principles and values that view economic, political and cultural life as simply the means to building a more ethical, just, and compassionate society, which together, would go some way

## Bob Reid looks at Jimmy Reid's rectorial address and finds in it a clear statement of how a creative reorientation of society is at the heart of a moral response to the current global crisis of values

towards healing our insecure and divided world.

Jimmy Reid's ultimate membership of the Scottish National Party along with his radical roots in the Scottish working class acknowledges that he felt there were more possibilities for encouraging fundamental social change in an Independent Scotland. In this respect, if Scotland has, as we are told, the visionary potential to lead the world in climate change targets and technology could it not also follow the moral precedent of influential Enlightenment philosophers and become again, a 'beacon of progressive opinion', moral leadership and a catalyst for radical action? Indeed, the massive support for the Scottish National Party in the 2011 Scottish elections clearly indicates that the people of Scotland want change that will sustain better governance of their country and, with that, the real possibility that a Scottish Government in an Independent Scotland - given the optimum conditions for change - will endeavour to institute a 'creative re-orientation of society'.

Being a life-long socialist and internationalist Jimmy Reid was also aware, like Burns, that seeking the freedom and brotherhood of all men and women went beyond national hopes and desires to the wider global community. These two aspirations are not only compatible but interdependent and necessary in this war-torn, unstable world. Would Jimmy Reid - given the financial crash of 2008 with its devastating political, social and economic consequences - be the first to acknowledge that his vision for 'a creative re-orientation of society' had to be widened to embrace the concept of a new global economic order; indeed a radical re-arrangement of capital and markets, far distant from the morally and economically bankrupt ideologies of Soviet style communism and neo-liberal capitalism with its attendant and corrupting, materialist dominated culture?

Capitalism - in all its unbridled forms - has been exposed as an endemic canker in the body politic whose financial and economic tendrils penetrate and corrupt every facet of political and social life - both national and international - to the ultimate detriment of upholding ethical and moral values, the public good

and democracy itself. Essentially based on a Thatcherite, self-serving individualism, unfettered capitalism and its ubiquitous mindset cares little for the common good and acknowledges institutionalised greed as its principal motivation and outcome, under the pretence that its practitioners deserve and receive the market value for their 'performance' and 'expertise', those very same skills that triggered the global financial crash.

The crucial question confronting governments and people in the Western world - given the fact that these same governments have generally capitulated to the seductive allures of capitalism's persuasive lobbyists - is how to politically manage, control and fundamentally change an increasingly arrogant and corrupt corporate, financial and banking sector to benefit the public good as opposed to the personal enrichment and concentration of wealth, power and privilege in fewer hands, all at the expense of sacrificing dignified human values, codes of moral behaviour and the democracy that is necessary to defend them.

The notion of public good, moral responsibility, human social values and democracy itself have been so thoroughly undermined by a thirty year onslaught of deeply unethical capitalist practices and concomitant political compliance that any form of radical, social democratic opposition may require a wholesale, institutional reformation of representative government, the renewal of a democratically regulated market economy and a renaissance of the human spirit whose prime awareness is that we are, truly, 'all in this together.' Perhaps nothing less than a paradigm shift in collective consciousness will be required to sustain and harmonise the needs of Gaia - James Lovelock's living description of planet earth - with the material, ethical and spiritual aspirations of homo sapiens.

Witnessing the awakening of protest movements across the Western world would suggest that progress towards an institutional rebirth has already started. Combined with the imperative resurgence of labour, social democratic and green movements, the ultimate goal ought to focus on breaking up these oligarchic institutions of wealth and power and making them subject to the

principle of fulfilling their prime role as 'servants of society' and not 'masters of the universe'. Failure to achieve this is not now an option.

This crisis has placed capitalism at the crossroads of global opinion. Elliot's poem 'The Wasteland', is perhaps more relevant than ever, so apt are his words - 'what are the roots that clutch, what branches grow out of this stony rubbish' - as a description of the present crisis of values and moral leadership at the heart of Western Civilisation itself. However, despite the many and varied arguments presented against neoliberal capitalism, probably its most damning indictment is its abysmal failure to sustain and deliver what Jimmy Reid referred to as a "whole quality of life" for the majority of people. For all its productive and technological capacity to supply an excessive consumption of material goods and their enticing, commercial trivia there is increasing evidence that it leaves a spiritual and psychological emptiness at the heart of people's lives, including its most rewarded beneficiaries; so much so that even conservative governments are now seeking ways to measure and heal the 'happiness' deficit at its core.

This, it would appear, is the absurdity and futility at the root of the 'capitalist ethos', an ethos that promoted a moral lifestyle of thrift and simplicity in its original historical context but which now ultimately contradicts humanity's deepest, innermost need for an authentic connection to the reality and meaning of human existence. It is, perhaps, this gradual shift in humanity's collective awareness that will spread and eventually fulfil Jimmy Reid's vision of a 'spiritual transformation' to illuminate the way towards 'a creative re-orientation of society' while eventually sounding the death knell of one of the most creative and destructive eras in human history. There is no question that capitalism contains the creative energy and capacity to renew itself and survive changing global economic circumstances. The more important and urgent question to ask is, can the earth and humanity survive in its destructive shadow? ■

**Bob Reid is a retired teacher, voluntary worker and political activist**

# Whatever Scotland's future



# NO CUTS

## PCS sends greetings to all delegates attending the 115th Annual Congress of the STUC

**Janice Godrich** National President  
**Mark Serwotka** General Secretary  
**Lynn Henderson** Scottish Secretary



Pic: Murdoch Ferguson



Public and Commercial Services Union | [pcs.org.uk](http://pcs.org.uk)

# The Constitutional Debate

In every SLR between now and the referendum we'll pick a policy issue and ask four writers from across the spectrum of constitutional opinion to argue the pros and cons of independence. In this issue we look at defence.

For more than half a century people have campaigned against nuclear weapons. The basic tactic was always 'convert the opposition, then get it elected'. Now all that is changed, utterly. In Scotland, we have won. Game, set, and match. We have a government in power which shares our goal. It is the opposition which is pro-Trident.

Frankly, I don't think we have really grasped the fact that we are within sight of victory - if Scotland chooses independence. Scotland's freedom from Trident means the UK's also. Because Trident is not like a taxi. It cannot be simply moved from Faslane to somewhere in England - Plymouth or Barrow, or wherever. This is because it requires a huge support system, namely the base at Coulport where 150 nuclear weapons are buried deep underground in the hills of Loch Long. England doesn't have such mountains, so there's nowhere to put the support system

Schedule 5 of the Scotland Act 1998 reserves to Westminster "control over nuclear, biological and chemical weapons and other weapons of mass destruction". Thus, by its own words the British state recognises that Trident is a WMD. As such, it belongs to a prohibited class of weapons, and illegal. It violates the Geneva and Hague Conventions, and the other acts of International and Domestic Law, which uphold the sacrosanct principle of civilian immunity. So, it is not enough for the SNP simply to oppose Trident on political grounds. It must recognise and affirm the present illegality of Trident.

The Catholic Bishop and the Assembly of the Church of Scotland, and the leaders of all other Faith groups have condemned Trident, as have the Trade Unions and all sections of Scottish civil society. Yet this criminal and illegal WMD is imposed on us, as will be its replacement in 2025 costing a thumping £75 billion.

But now we see all the opposition parties in Scotland united in supporting this British WMD, Trident. There is a

perverse logic to this situation. Labour, like the Tories and LibDems, is a Unionist party. This means that they are a nationalist party - i.e. British nationalist. Trident is the ultimate symbol of Britishness. This is our national fetish, the sacrosanct totem of our great power status. And it has ever been so.

Back in 1947, at the start of the nuclear age, Ernest Bevin famously stated that "We've got to have it, and it's got to have a bloody Union Jack on it". And today, Tony Blair writes in his autobiography "I could see clearly the force of the commonsense and practical arguments against Trident, yet in the final analysis I thought giving it up too big a downgrading of our status as a nation".

John McTernan, one of Blair's special advisers, said "If we didn't have Trident we'd be Belgium. Some people would find that a comfortable place to be. I wouldn't. If Britain is going to be a major power, Britain should have the kinds of weapons a major power has."

The people of Scotland have no interest in Great Power status, and no nostalgia for our imperial past. The pro-nuclear stance of the Scottish Labour Party not only reflects an abysmal moral nihilism and lack of principle at the heart of the party, it is a betrayal of the many honest and decent Labour party members who have worked, and continue to work, in the cause of nuclear disarmament.

A nuclear free Scotland means a nuclear-free UK. The UK would then be in a position to exert pressure on the French to abandon the absurd folly of their 'force de frappe', and thereby create a nuclear-free Europe. Europe could then join the other nuclear-free regions of the world (the Pacific, Africa, South America, the Antarctic, all of which are at present nuclear free), as part of the process of making a world free from the threat of global nuclear suicide.

So we are faced with a moral choice of unparalleled magnitude. The choice we make will have enormous implications not only for Scotland, but indeed for the world. It really is up to us.

*Brian Quail is a member of Scottish CND's executive and of the SNP*

Government Strapped for Cash? Facing a Fiscal and Monetary Crisis? Making Policy decisions that are increasing your indebtedness and making it likely your party could be swept back into the political wilderness after a short time in power? Hell-bent on committing tens of billions of pounds on what is really just a "trophy" project? No, I am not talking about Alex Salmond's rate-capping, health and local service cutting SNP Scottish Government blowing Scottish taxpayers money on a bridge to be built from Chinese, Polish and Spanish steel. At least Alex's Chinese bridge will get used.

The biggest and most pointless trophy project around is the replacement of Trident Nuclear Missile Defence system. Some of our Atlanticist friends in the Labour movement could have been forgiven for the original Polaris scheme when weapons of mass destruction seemed (to them) to be justifiable to get to play with the big war-mongering nations like the USA and the USSR. By the time Polaris was replaced by Trident the 'Trophy' project was bigger and massively more expensive but it was a pointless and idiosyncratic defence gesture. Even in the UK's biggest military interventions not even the hawks could claim Trident was a factor.

Now we have been told the UK must find the money to rebuild our Weapons of Mass Destruction once again. Already hundreds of millions of pounds have been committed in design costs following the Trident Initial Gate report published in May 2011. Then there is the secret cost of the ongoing nuclear weapons research at Aldermaston. The BASIC Trident commission will be published in 2012 as will the Trident Alternative Review. I suggest the convergence of these two reports presents an ideal opportunity for the Labour Party to commit to stop the replacement of the UK's Nuclear arsenal once and for all.

There are three other reasons to support the No Replacement position. I will not pretend I have ever preferred or supported armaments expenditure over other peaceful and productive civil expenditure. However, I have kept informed about the various services views on their hardware. A modern helicopter fleet and modern planes to land on the two aircraft carriers the UK is committed to building, would be high on any list. Then there is the actual income required to be able to keep the two aircraft carriers in the UK defence force, rather than leasing one out to a foreign power and the urgent need for troop carriers on land with the highest defences against roadside bombs. There are also more priority hardware demands.

The second is the devastation we are already seeing to our armed forces personnel numbers. I have done two attachments over 40 days embedded in uniform with our army regiments in a variety of conflict zones and I would give way to no-one in my admiration for their courage and commitment. Neither will anyone convince me that they will not remain our biggest asset in present and future conflicts which those we work with in NATO value much higher than a WMD carrying submarine fleet. Labour's focus should be on rebuilding equipment and personnel capacity if it decides that any new defence spending is required.

The final reason why the Labour Party in Scotland and in the UK should come out against renewing Trident is that it is increasingly unpopular with Labour and non-Labour voters. By 2009 58 per cent of those polled across the UK supported the proposal that Trident should be abandoned (Sept 2009) with only 38 per cent supporting retention. With 62 per cent of Labour supporters and 71 per cent of Lib Dem supporters against Trident retention, scrapping the Trident replacement programme makes sense. With the same 2009 poll confirming Scotland's public opposition to Trident higher at 66 per cent, there is a strong argument that if the Scottish Labour Party wants to truly reflect the wishes of the Scottish electorate they should oppose the Trident replacement.

To those who say people wanting rid of Trident need only wait for Independence to get it, I see the danger of hopes being dashed. In the latest version of the Independence spin there is talk of retention of monetary union and even "some form" of "fiscal pact" with the UK. Given the revelations now

available from the historical archives in the booklet "Trident – No Place To Go" it is clear moving the submarines and the missiles to any other site would be less safe and less secure. A large, rich and powerful nation like the UK (backed by the USA) would use guile, persuasion, bribery or whatever it takes to keep the present facility at Faslane and Coulport and I think they would succeed in those negotiations. If Salmond would do dirty deals with Murdoch, a big fat lease arrangement might be too financially attractive to refuse.

The only way to end the waste and the shame of the UK spending further billions of pounds on replacing the Trident WMD arsenal is to have a Labour Government elected in the UK, committed to end the Trident programme. It is now up to the newly autonomous Scottish Labour Party to commit to that policy to speak up for Scotland's interests and lead the UK Labour Party to a new more rational and peaceful future.

*Michael Connarty is Labour MP for Linlithgow and East Falkirk*

As the referendum campaign ratchets up, and the old establishment starts to awaken to the potential of what a vote for an independent Scotland might mean, concerns are starting to be expressed in high places as to the implications independence has for defence. Not necessarily on conventional defence, where a common imagining of the shape of Scotland's future armed forces seems to be taking place at Holyrood, but on the future of Trident in Scotland.

Independence is the one constitutional option on offer in the autumn of 2014 which makes the removal of Trident an enticing possibility. And it is this which is concentrating minds within the Westminster Government and the MOD.

In a timely new analysis of the alternatives facing Trident post 'Yes' vote, Scottish CND and CND have co-published 'Trident: Nowhere to Go', authored by the ever-credible John Ainslie. It revisits those options the MOD had when deciding where in the UK to locate Polaris nearly 50 years ago.

In the document, those alternative possible locations are, one by one, clinically ruled out as viable options today, meaning that Trident would, as the title states, have literally nowhere to go in the UK if it was forced out of

Faslane and Coulport. This does offer the intriguing possibility that the UK's independent nuclear deterrent could have to move to the US or even France to continue to function, or to be served from a completely new-build floating complex. And each of these 'outsourcing' options would cost billions upon billions of pounds to design, commission and run, not least because the Nuclear Non-proliferation Treaty would insist that these facilities would still have to be 100 per cent UK run.

One question which is increasingly being asked at the moment is; if there is such an unprecedented level of uncertainty about the future of Trident, why is the Government pushing ahead with its replacement? A number of 'gateway' decisions on the progress of the new system have still to be made, although undoubtedly billions have already been spent or committed, particularly at the weapons processing facility at Burghfield. Pressure is starting to build behind this logical questioning of the Government's drive to commit to a replacement but not apparently yet from the Lib Dem coalition partners, who had previously argued for a longer term view of Trident's replacement.

In the event of a vote for independence, there is no doubt that Westminster would use every possible threat, sanction or even bribe to maintain Trident in Scotland. Would this be resisted or would an accommodation be made? In January, Patrick Harvey asked Alex Salmond if he would rule out such a deal in the future. His response was pretty clear: "It is inconceivable that an independent nation of 5.25 million people would tolerate the continued presence of weapons of mass destruction on its soil".

Trades Unions, faith groups and civic Scotland as a whole have consistently opposed Trident, as have (according to opinion polls) the majority of those living in Scotland. Can these forces push Trident onto the agenda for a Devo Max option? Or will the many whose principles and beliefs see Trident's abolition as their number one priority have only one real option in 2014?

*Mike Arnott is Secretary of Dundee TUC and a member of Scottish CND's Executive*

The starting point: can anyone honestly see any prospects of the British state engaging in serious nuclear disarmament or deviating even

marginally from US foreign policy? The two are linked since the US controls whether we have nuclear missiles or not. The record of both Tory and Labour governments at Westminster offers no grounds for optimism. Since the early 1960s we have seen Labour in opposition take an anti-nuclear stance which is then reversed in government. Now, despite the end of the Cold War, there is no-one in the UK Labour leadership who will even hint at getting rid of Trident. The post-imperial aspirations for big power status are heavily dependent on the military and nuclear role. A Scottish state would not have these aspirations. Its status

would have to come from quite different directions – from social, cultural, scientific achievements and from being a modest but constructive international player like Ireland, Sweden, Finland, Switzerland. Of course we cannot be certain that a Scottish government would stand firm in any negotiations on Trident; what we can be certain about is that our chances of achieving nuclear disarmament not just in Scotland but in the UK would be massively better with independence.

All of the UK's nuclear weapons capacity is based at Faslane/Coulport. If a Scottish government insists that no

nuclear warheads be allowed in Scottish waters or land (as New Zealand did), we could disarm Trident very quickly. We would have to agree to store the warheads (disabled) at Coulport for a short period until another storage facility could be built (or hopefully a decommissioning process). If nuclear-armed Trident submarines are not allowed to use Scottish waters or land, there is no other site for them in England or Wales that has the physical requirements and the infrastructure. The options have all been rigorously examined in SCND's report Trident - Nowhere to Go (download at [banthebomb.org](http://banthebomb.org)). Not only would it be difficult to find a suitable site, it would cost billions and take years to recreate that infrastructure.

The only argument put forward by those who want to support the British state but are anti-nuclear is that the Scottish Government would allow Trident to remain, either permanently or on a long lease, because they would yield to bribes or threats. This ignores the fact that Scotland would have two big defence negotiating cards and many smaller ones; one of our main uses for the UK has been as military real estate. As well as Trident, Faslane is the base for all of the UK's submarine fleet. While finding a site in England does not present the same problems as Trident, huge amounts of money have been spent on facilities at Faslane and it would be very expensive and take some years to recreate these. So the MOD would also be very anxious to retain this facility at a time of financial cuts. Trident does not create many jobs in Scotland – according to the MOD less than 500 of the 2,500 civilian jobs at Faslane. There are more Trident jobs outside of Scotland – refitting is at Devonport, warheads are produced at Burghfield, and the missiles are built and serviced in the US. The great majority of the jobs at Faslane are related to the other submarines which are nuclear-powered but not nuclear-armed. While we would want these to be moved eventually, a fixed leasing period would be negotiable and would be another important bargaining card in any independence negotiations. ■

*Isobel Lindsay has been a leading activist in peace movement organisations since 1960*

## **ASLEF CALLS FOR AN INTEGRATED, PUBLICLY OWNED, ACCOUNTABLE RAILWAY FOR SCOTLAND**

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# Reviews

## Counter Power: Making Change Happen

Tim Gee, New Internationalist Publications, £9.99, 228 pages, ISBN-13: 978-1780260327

Does social campaigning work? And if so, how? It is tempting to suggest that there has never been a more pressing need to answer this question, but reading Tim Gee's book shows that this probably isn't true. Now its austerity, last decade globalisation and climate change, before that deregulation and privatisation, before that Thatcherite assault on the state and so on backwards. And those are only the core economic campaigns to which everything from gay rights to justice for Palestinian can be added.

Still, any consideration of how it is possible to challenge vested power interests is to be welcomed, and *Counter Power* is an engaging, informative and thought-provoking read. The premise is simple – by looking at the processes of social change achieved through protest and campaigning movements the book aims to identify what are the characteristics and strategies

which appear best able to achieve success. The sweep is impressive, from the 19th century Chartist movement (and indeed some examples before) through to current events in the Arab world. But there are a number of main focusses – the Indian independence movement, South African anti-apartheid, universal suffrage in Britain, anti-Vietnam protests, anti-corporate protests, Egypt, the Miner's Strike and so on.

For me the real strength in this book is simply the level of detail and the scope. It is very helpful to have a detailed examination of a range of social movements and revolutions brought together in one place like this. So while I knew most of the story of Indian independence I came to realise that my understanding of the suffrage movement was more limited. And while I was (just) around for both the Miner's strike of the mid-1980s and the dying days of apartheid, I realise I had a much better understanding of the history of the former than the latter.

What Gee is trying to do is to break down each of these historical movements into its phases and to typify the tactics and approaches used in each phase. He looks at the interplay (or plain in-fighting) of different groups pursuing or advocating different strategies to achieve the same end. And he examines the nature and intention of the responses. Again, what I found most interesting was the way the 'geometry' of many of the campaigns were set out, explaining the shapes and patterns which inevitably get simplified in the retelling. A case in point is the careful dissection of the battle for decolonisation in India which has come to be synonymous with Gandhi; but of course, without understanding the earlier battles it isn't really possible to understand how we get a Gandhi in the first place.

Gee's thesis is fairly simple: there are three

broad types of power which calls 'ideas power' (catching the imagination and challenging existing beliefs etc), 'economic power' (anything which affects profits etc) and 'physical power' (both violent and non-violent). Traditionally, he sees the main state and establishment actors as holding 'power' and identifies those challenging that power are utilising 'counter power'. In my view this is one of two weaknesses of the book. I find the concept of 'power' and 'counter power' as different types of power not entirely convincing. Naturally there is a very big difference between the resources available to each side and certainly the usual pattern is a 'defensive' and an 'offensive' deployment of power (the state defends the status quo, the protesters challenge it), but it is not obvious to me that 'ideas power is fundamentally different if it is wielded by the state or by the protester. Equally, I am not sure that many strong ideas contained in the book benefit from quite such a rigid categorisation of the three types of power – does a UK Uncut protest aim at 'economic counterpower' or 'ideas counterpower' or something slightly more complex than either?

Personally I tend to favour a more complex understanding of the impact of power; not so much a battle between two sides using three weapons but a much more complex interplay of different strands of power being exerted. So in the case of the current 'slave labour' workfare argument, it is not obvious that this was ever a battle between Tesco and the Tories on one side and social campaigners on the other. The concept of 'discourse' may be a little old-fashioned now (or perhaps it is just over-used), but the idea of many slightly different power gambits interacting and conflicting with each other from the level of the individual (Cameron in his permanent struggle to be both 'Bullingdon traditionalist' and 'modern man' all at once) to big movements (a Tea Party movement which simultaneously believes 'Jews have too much power' but that support for Israel is non-negotiable) may give us a more sophisticated tool for understanding why change happens.

The other slight weakness is a tendency to make conclusions retrospectively. A particular example is



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the Indian struggle; the length of the struggle means that many people fighting the cause at the end probably knew less about its origins than someone who reads this book. It is not clear that all the different phases can be considered linear steps to eventual success. To be honest, in many ways much of the history looks more like failures from which people started again rather than steps forward on which the movement built. And so to conclude at the end of the book when asking 'what is the right time to escalate?' it seems unsafe to pick specific examples and conclude that "history has proved their timing was right". Without knowing what would have happened if escalation happened earlier, or later, or in different ways, it is perhaps unhelpful to conclude that this was the 'right path to success'.

But it would be churlish to be too critical. For me what is important about this book is not that it forms a 'schematic for successful protest' but that it poses these complex questions next to a richly-researched, detailed and well-referenced exploration of the history of protest. It will certainly be reflected in the many (probably unresolved) strategic arguments to come. ■

*Robin McAlpine*

## New Parties of the Left - Experiences from Europe

Daniel Bensaid and others:  
Resistance Books £7,  
204 pages, ISBN-13: 978-  
0902869516

This book analyses the new left parties formed from 1986 to 2011 in European countries. It is not an academic tome, rather an attempt to draw lessons from their struggle to create a viable left alternative to former social democratic parties which have fully embraced neoliberal policies.

Seven chapters on France, Denmark, Britain, Germany, Italy, Portugal and Spain are written by founding or leading members of the parties concerned.

An introductory chapter provides an overview of the phenomenon of New Parties, which in a wider context includes the formation of PT in Brazil in 1980. It lists parties created in 12 countries and details their foundation dates, electoral results and membership. Consideration is given to the effect of different electoral systems on their

electoral success and how each party's historical roots e.g. Communism, Trotskyism, Maoism, has influenced their development.

Lest it be thought these parties are peripheral to current concerns, five of them (Die Linke in Germany, the Italian P.R.C., the Portuguese Left Bloc, the United Left in Spain and Red Green Alliance in Denmark) have each achieved electoral votes between six and 14 per cent and significant numbers of parliamentarians elected.

The country-specific chapters all contain a history of their genesis and describe the main internal debates and how the party evolved and grew or otherwise following these. They each also provide an assessment of their future prospects. Given there have been elections over the past year since these were written, we have a useful 'reality check' on these predictions.

The chapter on the Red-Green Alliance in Denmark I found particularly interesting for Scottish readers. Written in January 2011 it predicts the next Danish election could result in "a government of two reformist workers parties needing the support of the RGA to have a majority". This was the actual

outcome in September when the RGA got 6.7 per cent of the vote and 12 MPs. The RGA has had MPs in each parliament since 1994, with a previous high of six MPs (just like the SSP). The article describes how its internal structures work including parliamentary oversight, how it has grown to 5,500 (SSP peaked at 4,000) whilst remaining rooted in communities and trade unions. Given there were frequent discussions between the RGA and the SSP/Solidarity, the contrast to the present Scottish situation is sharp. The chapters describing the train-wreck of the Italian PRC and Respect in England provide different lessons.

For those like me who have only occasionally had contact with each of these parties, this book gives a perspective for our own attempts at regrouping the left.

The book is published in collaboration with the International Institute for Research and Education in Amsterdam and is part of a series analysing political developments across the world. A planned second edition will include chapters on Greece and other countries. ■

*Gordon Morgan*



Wednesday 21 March, 1.00pm

*Films:* UCS 1 and UCS: 40th Anniversary

*Panel:* Ann Gaudes, Susan Morrison, Dr Chik Collins. Tickets £5

Thursday 22 March 7.30pm

*Films:* UCS 1 and UCS: 40th Anniversary

*Panel:* Ann Gaudes, Mike Kirby (STUC President), Pat Rafferty (UNITE). Tickets £6

Friday 23 March 7.30pm

*Films:* Class Struggle: Film from the Cycle

*Panel:* Ann Gaudes, David Hayman. Tickets £7.50

After each showing the films will be followed by a Q&A with special guest, film-maker, Ann Gaudes, plus an invited panel.

# Kick Up The Tabloids

## 'NO COPULATION WITHOUT REPRESENTATION' PLEA

I'm writing this from the other side of the World, as I am currently in Australia, performing at The Adelaide Fringe. It took over 24 hours to fly out here, which was tiring enough even before I watched *The Iron Lady* on the in-flight movie player. How Meryl Steep managed to win an Oscar for such a wildly inaccurate performance is beyond me. There has been much controversy about her portrayal of Thatcher as senile and mentally-unstable. That did not bother me. What I found offensive was her portrayal of middle-age Thatcher as some kind of human being with a sense of compassion.

It's mid-summer here and temperatures have been as high as 39 degrees. Apart from that, it feels eerily like home. Like Edinburgh, Adelaide has a large international Fringe Festival every year which draws tourists and artistes into the city from all over the Globe. Like Edinburgh, Adelaide has a zoo which has recently acquired two pandas from China, and is hyping the fact to the maximum degree. However, the similarities end there. Unlike Edinburgh, Adelaide is full of healthy, cheerful people who don't need to wear jumpers and duffle-coats in summer. And unlike Edinburgh, Adelaide has a fully-working tram network.

Australians do, however, have a very similar attitude to the Scots on a number of issues. The Royal Family, for example. There is a similar lack of enthusiasm here for the Queen's Diamond Jubilee. Just before I left home, Tory Education Minister Michael Gove had incensed public opinion by suggesting that the taxpayer should buy a new Royal Yacht for Her Majesty. This seems incredibly

insensitive, particularly during a recession. All the same, one could be bought on the cheap. I reckon they could buy a second-hand one in Italy for a knock-down price.

Incidentally, if you're wondering who this mythical character "The Taxpayer" is, he's a man called Harry Redknapp.

Australians in general appear very interested and very supportive of the idea of Scottish Independence. I have been asked a number of questions about the referendum, some of which I have been able to answer. As, of course, there are many questions about the referendum which remain unanswered.

One of the most frequently asked questions is who will get to vote. For example, will the franchise be extended to Scottish people living outside Scotland? I guess it all depends on how you define "Scottish". It is thought the following criteria will apply:

- People living in England, Wales and Northern Ireland, but born in Scotland.
- People living and born elsewhere in the UK, one or both of whose parents were born in Scotland.
- People living and born in England who have had one or more heart attacks before the age of 45.
- People living anywhere who are alcoholic bigots.

The Scottish Government want to lower the voting age to include 16- and 17-year-olds. To me this seems perfectly valid. At the moment, we have a ridiculous legally anomaly whereby a 17-year-old can have a sexual relationship with an MP but not be entitled to vote for him. Furthermore, it strikes me that

it is only seems only fair that people in Scotland should vote younger. Because people in Scotland die younger.

A Scottish male with a life expectancy of 71 can vote for up to five per cent less of his lifetime than a woman born in England. However, life expectancy for men in certain parts of Glasgow such as Shettleston is as low as 57, so the local voting age may have to be lowered to 8 and three-quarters. While in certain parts of Paisley and Greenock, life expectancy is so low that pregnant women may be given two votes.

Many people are also getting themselves particularly agitated for no obvious reason about what will happen to the Union Flag were Scotland to become independent. If the blue is to be removed, what flag will represent the rump GB? Also, if the Union Jack is to disappear, what flag are Rangers fans going to fly at Old Firm games? This last question may, of course, be a moot one, given the financial plight of the Ibrox club. Out here in Australia, I have met a number of ex-pat fans of both Rangers and Celtic, which goes to prove the global reach of both clubs. Indeed, a group of Rangers supporters in Australia are planning to organise an international fund-raising telethon to help save their club. They are planning to call it either Orange Aid or Blue Nose Day. ■

*Vladimir McTavish is appearing at The Griffin, 266 Bath Street, Glasgow on Saturday 9th April at 8 pm, as part of the Magners Glasgow International Comedy Festival.*

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