



## WATCHING CORPORATE SCOTLAND

How powerful is the  
industry lobby in Scotland?

## PLUS: What next for the SNP?

Rob Gibson, Fiona Hyslop, Joe Middleton, Alasdair Nicholson, Sean Clerkin, Isobel Lindsay

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# comment

We all know that successive Washington and London administrations are little more than the political wing of the private sector. Scotland, however, does not have the kind of financial centres which power these administrations and is not prey to the political lobbyists and agenda-setters in the same way. In fact, government in Scotland is mainly shaped by the old public sector vested interests. Oh yes? Well if this is true there are some things that need a bit of explaining. Why is it that this old-left dependency is building PFI projects at a rate at least as fast as England? PFI deals are only good for the private sector, so it is a strange thing for old-left Scotland to do. Why is it that the entire public believes that the Scottish Parliament spent all its time debating liberal issues such as fox-hunting and gay-rights and failed to discuss the economy, despite the fact that for every hour spent on a liberal issue of this sort over ten were spent discussing how to make the private sector more money (it's good for us all folks...) Why was the SNP, the bulwark against the worst of New Labour free market dogma in 1999, arguing for a Thatcherite low-business-tax economy by 2003? How do you explain away the Scotsman and its bizarre industry cheerleading (sometimes it feels more like a newsheet for CEOs than a national paper). Why is it accepted by all four mainstream parties that the only route to salvation is private profit?

The truth is that the dogma of the free-marketeers is every bit as prevalent in Scotland as in Washington. The only difference is that in Scotland the public sector/trade union/civic/NGO nexus successfully acts as a bit of a counterweight. That is why we have rented hospitals but not yet rented doctors. But remember that we have rented hospitals.

The articles in this issue demonstrate the extent of the problem. PFI is not about building hospitals, it is about getting more money into the hands of private businessmen and about getting them a firm hold over public policy. After all, these are their hospitals, not ours; did we really expect to have as much say. The lobbying that goes on is largely private lobbying, and the politicians have to work hard to see the reality of much of this. It is not (entirely) their fault; the whole process is designed in such a way that they do not get to see or chose, and if they do they are left with little option.

So what can we do about this? Well, firstly we have to end the complacency. The CBI Scotland persecution complex should be seen for what it is – manipulative stage acting. It gets almost everything it wants and still cries for more. We have to start ignoring the nonsense we read in many of the papers about what the Parliament is doing and not doing. We need to realise who gets what from government. Then we have to challenge the dogma.

PFI is NOT the only game in town. Increasing the profit of private companies is NOT the only way to improve life for ordinary Scots. Trickle-down economics does NOT work. Industry is NOT overtaxed. Unemployment is the fault of profit-makers not of the unemployed. And finally we need to take control of the agenda. Scottish Enterprise is given £500 million a year to boost the profit of private sector companies. What if we took all of that money and used it instead to create sustainable, cooperative, community-based employment for people which

provided them with a fair income? We would create more wealth for Scots (not for shareholders) and would do something useful for people and their community (no, telesales operatives selling you a new kitchen you don't need is not of any use to you or anyone else who doesn't own a kitchen manufacturing or installing company). What if we took public trusts to build infrastructure seriously and stopped allowing people to dismiss them on the basis of a burden of evidence which would have prevented PFI from ever being taken seriously by a single person? What if we began a proper debate about whether we even WANT economic growth in Scotland (there is no clear argument for why we need it if we distribute resources fairly) and what price we are willing to pay for it. What if we stop believing the nonsense of the invisible lobbyists?

Is Scotland a more 'left wing' country than England? There is some evidence that it may be – social attitudes have been shown to be a bit more likely to be supportive of collectivism and it has returned a more left-wing balance of MPs for decades. But the differences are not so marked that we can seriously talk of a qualitative difference of political opinion in Scotland. In reality, the politics of the people of Scotland as a whole are nothing more than a shade of the politics of the UK as a whole. And yet things are different here. Our Parliament (in personnel if not in policies) looks like a seedbed of radicalism when compared to Westminster and Scotland has rejected the more excessive free-market policies of England – from water privatisation to foundation hospitals. There are cultural and historical reasons for this, but the reasons are as much structural as anything, including balance of public and private employment, home ownership, different voting systems and the SNP.

The last of these is crucial. Political parties are naturally drawn in the direction of the opposing party which worries them most. This is part of the reason for the rightwards dash of Labour in the '90s (although commentators still seem unwilling to give adequate weight to a small and determined group within the Party which has succeeded in turning it into another pro-free-market cheerleader). To win power Labour had to beat Tories so they thought they had to be more like Tories. The challenge was on the right so that was where the battle was fought and where the wreckage remains. In Scotland it was different. While the

official Labour Party line remained that it was the Tories they had to beat, the reality was that the majority of Labour MPs were very much more worried by a challenge from the SNP. This meant that in Scotland the battleground was largely to the left of Labour and so the Party was inevitably drawn more in that direction. (Incidentally, the pragmatism-not-a-coup school of thinking on the rise of New Labour is rather undermined by the fact that Labour's internal polls showed perfectly clearly that in Scotland the pragmatic thing to do would have been to move to the left.)

In England the Labour Government can introduce foundation hospitals and top-up fees and go to war with ease because there is no-one serious to challenge them (with the best will in the world to Charles Kennedy's Liberal Democrats). In Scotland any such move would be an open goal to the SNP, which is why we are 'different'. So the left in Scotland, no matter of what party, has needed the SNP over the last three decades. Some might argue that now that we have the SSP and the Greens that this need is gone. And this is the question that the SNP now has to pose itself. Is it just New Labour-lite with an independence fetish or does it have a vision for Scotland which is powerful enough to continue to shape Scottish politics? Surely the answer has to be that the SNP still has an important role in Scottish politics. Our constitutional development is clearly not over. From the committed unionist who still recognises that we need the power to legislate on broadcasting to the die-hard nationalist, most people realise that there is more change to come. It is in this as well as in many other issues that the left of all parties and none in Scotland needs the SNP to generate thinking and to move debate. Not necessarily so that the party can take power and implement them, but so the pluralist balance of debate in Scotland keeps moving in the right direction.

But there is one lesson from New Labour that the SNP needs to learn. Almost every analysis of New Labour (because almost all of them are lazy) talks about spin and discipline as the drivers of success. In actual fact, the most significant success of New Labour was the manner in which it took an iron grip of the ideology of the Party. It was not just the matter of discipline but what people were disciplined in. It was not a matter of presentation but what was presented. New Labour had direction; an unpleasant and insidious direction, but direction nonetheless. Many political parties around the world have taken New Labour as a model. They have trained their politicians in how to talk and how to look. They have produced clever press releases and they have altered the internal democratic processes of their parties. But they have missed the point. Blair was a trans-Atlantic free-marketeer who drove his Party in that direction and produced a coherent(ish) platform. The SNP may have rebranded Swinney, but what is their direction? The sooner the SNP loses its infatuation with the Myth of Blair, realises the reality of his revolution and chooses a clear direction to the better. For everyone of the left. ■

# the dirt that lies beneath

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Go to the search engine on the Scottish Parliament's web site. Type in the phrase "corporate lobbying". Wait for a second or two and back, prompt as you like, will come the sweetly-innocent reply: "No hits for your search criteria". Try again. This time, since the parliament's site is a model of accessibility and open government, call up the register of MSPs' interests. Who has interesting sponsors? Who's laden with stocks and shares? Woodward and Bernstein wouldn't get out of bed for the answers.

Member after member appears to have decided that the best way to deal with such a register is to have no interests of any sort. This is either very noble of them or very, very cunning. Either way, it appears that we are represented by a collection of monks and nuns.

Officially, that is as it should be. After all, the code of conduct for MSPs specifies that they must be in possession of "integrity" and immune to the temptation of financial gain. Furthermore, it is illegal for them to engage in paid advocacy. Equally, they are forbidden to offer preferential access to lobbyists and prohibited from accepting work as advisers or consultants on parliamentary issues. Our boys and girls are as clean, it seems, as they come.

In one sense, that isn't too hard. The recent record of sleaze in the Westminster Parliament, now globalised in the Iraq arms and reconstruction bazaar, would take some beating. For vested interests, corporate and otherwise, Scotland's political class is a shoal of small fry who are scarcely worth corrupting. Besides, given all that they will do willingly, the need for grubby inducements is strictly limited.

Still, try the web again. Here's Stuart Crawford Associates, an upright sort of PR and consultancy firm with, among other things, a squad of military types on its books for those who need advice on defence, as you do. SCA notes that it was retained by Motorola when the loveable multinational was Scotland's biggest private employer. Its job was to brief the corporate giant on "the workings and power" of the parliament, and to provide regular reports on same. Why? Couldn't a concerned electronics business not just pick up the phone - when it wasn't planning the odd redundancy - and ask a minister how things work? SCA doesn't say.

Equally, it doesn't go into much detail when advertising its contract with the British Aggregates Association, people who dig big holes for money. SCA merely notes that it is "assisting BAA with its political programme in Scotland". Every home should have one of those.

## Ian Bell on the real life of lobbying

And why not? Scotland's PR and lobbying firms certainly give the distinct impression that only very foolish people attempt to engage with the political process without specialised help. More than that, the men in the sharp suits have a way of hinting that they can get things done where others fail. Need "unrivalled contacts"? Try Beattie Media, Britain's sixth biggest PR company. Need to get "your message" across? Try Media House, specialists, so they say, in headline-making.

It is possible, of course, that some people will wonder if this sort of thing is strictly fair. Anyone who cannot afford a PR firm or a lobbyist - that would be most of us - might feel a little disadvantaged. If your vote is the only theoretical political influence you have, the connection between money and access might begin to seem dubious, to say the least. To put it in its simplest terms, why should any big company hire a lobbyist? What do they get in return?

Four years ago the Observer newspaper claimed that Beattie Media, for one, was touting for business by offering "privileged access" to ministers, including Jack McConnell. The son of Dr John Reid, poor soul, was implicated in the controversy. "Lobbygate", as it became known, got a lot of people very excited, led to all sorts of inquiries, and appeared to show that Scotland's new parliament had already acquired a seamy side. Perish the thought. No one, it later transpired, had done anything wrong. Honest.

But why should they? In Scotland, the PR and lobbying business is froth, more or less. Corporate interests rarely have a need to stoop to such means to acquire or wield influence. Remember: they already have the government they require in London. The Edinburgh branch office knows the script and causes precious little trouble.

Here's a simple test. Cast your mind back to the days before devolution and the rumbling noises that used to emanate from the Edinburgh financial sector, Scottish & Newcastle and the like. How many times did we hear that these powerhouses of the Scottish economy would decamp abroad if Scots voted the wrong way, or if a new parliament threatened their profits? Now ask yourself how many of those companies actually made good their threats.

The fact is, in any case, that neither executive nor parliament has much real control over the Scottish economy - Gordon Brown wouldn't like it - and no real ability, therefore, to impede or influence corporate interests. Tax, social security and the important aspects of employment policy

remain with 11 Downing Street. And 11 Downing Street, boasting of big cuts in corporation tax, is the opposite of anything business might perceive as a threat.

You might be appalled at the scandal, to name one, of Edinburgh's new Royal Infirmary, but PFI was made in London and merely obeyed in Edinburgh. You might be sickened by the activities of Premier Detention Services, the entrepreneurs-in-oppression who run Dungavel, but the private sector mania and the racism alike spring from the London government: Scotland's executive will not even comment on the subject. Oil, electronics, banking and the rest: these are each beyond Scotland's effective control.

That being so, they each demonstrate just how puny and undemocratic the home rule settlement is. More than that, they treat the Scottish government as a branch of local government. They grow agitated over business rates or water charges, not core economic policies. If Scottish Power treats the odd MSP to dinner, as it does, there is rarely, if ever, a great issue at stake. Besides, the vast majority of our representatives are as one with the "enterprise agenda", otherwise known as the manifesto of the business lobby. Such is the political consensus, outright pressure or interference is superfluous.

As I write, our latest enterprise minister is being given a roasting in the Scotsman, a corporate interest if ever there was one. Apparently Jim Wallace is failing to do enough for the shareholders, a group otherwise known as "the economy". The Scotsman is demanding all sorts of things that Wallace cannot deliver, but its real point is, it seems, to remind us that a single vested interest has unearned rights over all our lives.

Given the nature of a corporatised planet, the paper might be right, factually speaking. Given the nature of Scotland's parliament, however, that apple cart is not about to be upset any time soon. The corporate world has the best executive money can buy - and it didn't cost a penny.

Meanwhile, the unexamined assumption that "wealth" only comes from people who pay the minimum wage, pillage the Earth, harass trade unions and loot the assets we once owned in common is parroted daily in the parliament's chamber. The difference between corporate Scotland and political Scotland is just the difference between expensive suits and cheap suits. ■

*Ian Bell is a freelance writer*



## **WORKS PENSIONS CRISIS – CAUSES & SOLUTIONS**

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Attendance for delegates will cost £20, £10 for assisted places (includes buffet meal).

Thanks to AMICUS Scotland for their financial assistance to the seminar.

To book places contact Ian Tasker at the STUC 0141 337 8100  
email [itasker@stuc.org.uk](mailto:itasker@stuc.org.uk).



# corporate power, institutional corruption

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## David Miller argues that endemic lobbying means corporations control too much of Scotland

The debate on the left in Scotland in the past decade has revolved around questions of nation and devolution. To what extent was a 'stateless nation' like Scotland able to take charge of its own destiny and how would devolution make a difference to this. In the first term of the Scottish parliament the debate continued to be focused on the extent to which a 'new politics' were emerging or to which 'real' power remained at Westminster.

Such arguments have tended to deflect attention from the practical ways in which power is exercised in Scotland by corporations. While we focus on the 'machine politics' of McConnell and the 'Lanarkshire Mafia' or the arguments over spin and public disengagement, one question which gets displaced is that of the corporate take-over of Scotland. It is not that any of these debates are unimportant, just that the discussion is held at the level of politics and can fail to see it in the wider context of economic interests and strategies. Economics is treated as a dry and de-politicised arena of expertise, rather than being fundamental to almost all areas of political debate - and so issues of corporate power are kept in the wings.

The process by which corporations exercise power is not always easily visible in public debate especially given a media unable or unwilling to invest significantly in investigative reporting, but also because the level of debate is far too narrowly confined by the 'auld sang'. Nation, in other words can mystify corporate power.

For some on the left discussion of the power of Westminster may well be code for the power of the Transnational Corporations (TNCs), but it is not enough to leave matters there. Big business does not just rule Scotland via Westminster, it also rules by direct if often low profile and covert engagement in Scottish politics.

How is this power accomplished? The neo-liberal revolution of the 1980s and 90s did not happen merely as a result of the fundamental economic forces. Rather it was consciously planned and struggled for by what Leslie Sklair has called 'social movements for global capitalism'. These include all sorts of corporate lobby groups and the burgeoning lobbying and PR industry. Scottish based TNCs such as HBOS and Scottish Power are pretty well integrated into the European and global lobby groups. But not as well as the biggest TNCs which operate in Scotland such as BP GlaxoSmithKline, Coca Cola, Pfizer and the like. Their integration into global governance means that the macro level terms

of trade and of political regulation are already fixed at the global, European and UK levels via mechanisms such as GATS, and PFI/PPP. In Scotland much of the room for manoeuvre is already constrained by UK and transnational decisions. But it is also clear that Scottish governance is subject to specific corporate influence.

In a devolved Scotland the most obvious way in which corporate actors pursue their interests is by lobbying. But lobbying takes place in the context of already entrenched policy assumptions and a political culture which is already fundamentally oriented to wards the market. This is the product of the neo-liberal shift which has affected all the pro business parties and has shifted the assumptions of government among the ruling elite. This includes not just politicians, but the business community and crucially the Edinburgh establishment which runs the civil service. It is against this background - which is fundamentally favourable to big business - that lobbying for particular policy measures takes place.

Nevertheless lobbying is seen as worthwhile by business interests as evidenced in the burgeoning lobbying and PR market which emerged post devolution. In the first term of the Parliament lobbyists swarmed to the Mound, embroiling Jack McConnell in the lobbygate row - from which McConnell was not exonerated of blame - contrary to the successful spin to the contrary. The privileged access of big business lobbyists to MSPs through the officially sanctioned gateway of the Scottish Parliament Business Exchange revealed more clearly than ever the extent to which the openness of the Parliament had been colonised by business interests. In the new term it is already clear that lobbyists see the newly elected green and SSP members as no barrier to their strategies. SSP MSPs have already been persistently approached by lobbyists - with some even offering steadily increasing donations to charity to secure meetings with the MSPs. One senior MSP confesses to being gobsmacked at the number of MSPs who are routinely schmoozed and lunched by lobbyists - not just those from the private sector it has to be said. Some observers refer to a 'buddy-ish' culture, which is not 'explicit and transparent and something the wider public can get a sense of'. This is reinforced by the corporate swamping of cross party groups. To take one example, the Oil and Gas group has representation from sixteen industry lobbyists, plus two from Scottish Enterprise, one for Aberdeen city council, two from the government funded Energywatch. No prizes for guessing that there are no citizen representatives among the members.

It is no surprise that lobbyists swarm around the Parliament. It has significant power over budgets which some of the big corporations want to get their hands on, one obvious example is the NHS drugs budget which corporations like GSK and Pfizer are anxious to tap. No surprise then that such companies want to cosy up to MSPs on the Health committee as Pfizer did with Margaret Jamieson through the SPBE. The drug companies also have an interest along with other TNCs in keeping the Scottish political system sweet so they can continue to pollute Scotland without major penalties. These include BP, Scottish Power, GlaxoSmithKline, Exxon Mobil, Scottish and Southern Energy and others.

While the wholesale attempt to buy the Parliament has excited some interest in the Scottish media, most of the discussion about lobbying has been confined to the question of MSP conduct and has kept largely away from the conduct of ministers and entirely away from the conduct of civil servants. One result is that politicians - hardly a blameless lot - are forced to take the rap for the mistakes and excesses of the permanent government in the civil service. A more serious problem is that the main target of corporations and their lobbyists is the Executive, meaning both ministers and civil servants.

Here there is an extremely murky world of networks, professional, political and personal associations between lobbyists, ministers and civil servants. Although the civil service are supposed to keep a record of ministers contacts with lobbyists, it is difficult to know how consistently this is done. At lobbygate it was clear that McConnell kept his own diary separate from the official one. In any case the diaries are not open to public scrutiny and there is virtually no information about lobbyists relations with ministers in the public domain. More worrying however is the fact that there is no similar recording requirement for the senior (or junior) civil service to keep a record of meetings with lobbyists - of whatever stripe. Although of course, as some insiders note, senior civil servants are much more likely to be having lunch with financiers from Charlotte Square than with leaders of community groups.

In a previous SLR (issue 13) former health minister Susan Deacon wrote that 'the operation of the civil service in Scotland is perhaps the greatest untold story of devolution'. The senior civil service is seen by some as the 'establishment' and it is drawn from the same narrow upper middle class pool as Scottish business leaders.

Of course there are conflicts between this old 'establishment' and the new - the neo liberal tendency which has taken over the Labour Party. This is what makes it hard to grasp the intricacies of corporate power. For example globalising bureaucrats and politicians are likely to come into conflict with the old establishment which has grown up in the small town Edinburgh circuit of private schools, rugby, golf, university and the 'New club'. Progressives can often mistake conflicts between this establishment and young female thirty something ministers as a straightforward establishment vs. progressive fight. But when the aforementioned ministers are fully paid up members of the globalising Atlanticist club of neoliberals - such as Wendy Alexander (management consultant, alumnus of the British American Project, enthusiastic free marketeer), matters are not so simple. In addition the most enthusiastic beneficiaries of the neoliberal agenda are the finance capitalists that dominate the old and new Edinburgh establishments.

Nevertheless both old and new establishments are strangers to democratic accountability. The old is inclined to express 'resentment' at the prospect of new ways of doing politics and this can mean that the minister is seen as a spanner in the smooth workings of the permanent government. But the permanent government has been changing too. There has been a transformation towards business practice in the civil service, in service delivery and in the running of public services like health, transport and water. These developments indicate the fundamental problem of the degraded democratic system we have in Scotland. Big business has already infiltrated the very structure and operating assumptions of the public services - including the civil service. The result is that corporate power is exercised by proxy by the machinery supposed to deliver democratic accountability. The covert politics of lobbying are simply the cutting edge of further concessions to neo-liberalism and big business. Public opinion - meanwhile - remains resolutely committed to properly funded public services, reducing inequality and kicking the private sector out of service delivery. Yet there is no chance of such policies being adopted by any of the big four parties. The problem is that the culture of government in Scotland is unable to respond to the democratic wishes of the people. The system is - in other words - institutionally corrupt. ■

*David Miller is Editor of Tell Me Lies: Media and propaganda in the attack on Iraq, published by Pluto in October.*

**Here there is an extremely murky world of networks, professional, political and personal associations between lobbyists, ministers and civil servants**

# discovering what's going on

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## Helen Eadie MSP explains how she came to be aware of the secretive power of the corporate lobby in the government of Scotland and the UK

Working out who makes what decision and why is an essential skill that everyone involved in the political process has to learn. If that process is complex at local level then it becomes even more of a maze when it comes to decisions at a global level. You could be forgiven for thinking it's all too complex to even begin the attempt. However, there are many decisions made at a global level that have a serious impact on our way of life. My argument is that in order to be able to understand what is happening we need to be able to track and monitor the decision process as it is developing. This way we will know which politicians to lobby and at what stage that lobbying will be most effective.

My concern with the impact of globalisation on Scotland was heightened with the privatisation of the water service in England. I was alarmed at the possibility that the same thing might happen in Scotland. There are certain core public services that, in my view, should not be privatised. These include water, health, education and energy supplies. My interest in knowing why these decisions were being made led me to an investigation of the global forces at work on our domestic policies. It seems that, ultimately, it is the policy interests of the US that are at the heart of the increasing move to privatise services. I learned that US representatives had made proposals at the World Trade Organisation for a rolling programme of privatisation across the globe. Although for Scotland control of core public services such as those listed above lies with the Scottish Parliament, Westminster has a 'reserved' power in relation to international trade agreements. I believe therefore that we must work with colleagues in Westminster if we are to put a marker down to save some of our lifeline services. Of course the complications do not end there as I then learned that the UK is represented in negotiations at the WTO on this issue by the European Commission. This allows for a co-ordinated European position in which the strength of all EU countries is combined in favour of the interests of each.

So what exactly is going on? The debate is focused around an agreement signed by all the countries which are members of the World Trade Organisation (WTO) called the General Agreement on Trade in Services (GATS). The services in question here are the core public services mentioned above such as health, water, energy etc. The agreement is that countries will progressively open up more areas of their service economy to competition

from global and foreign organisations. In each round of negotiations for GATS countries offer services or parts of services to be liberalised while requesting liberalisation of other countries services. The theory is that this promotes efficiency and growth through the break-up of inefficient monopolies, (state or private), and competition, thus benefiting everyone and helping third world countries to develop by giving them access to developed markets. This has on occasion worked in the past but unfortunately there are more examples of third world industries, economies and services being taken over by Trans National Companies (TNC's) and run for their benefit rather than the benefit of the country or its people. This is due to many, complex economic factors but with regard to GATS negotiations in particular, developed countries are in a much stronger bargaining position. They have the markets that underdeveloped countries want access to, they have power over the finances of underdeveloped countries because of the debt that is owed to them and the developed countries have the legal expertise, personnel and resources to secure the best deals for their respective service sector companies. GATS also represents a potentially rough deal for public sector services in developed countries such as the UK. The progressive nature of the GATS agreement means that with each negotiating round more and more public sector areas will be liberalised. Negotiating rounds take place approximately every five years.

My main ally in Westminster on this issue has been my fellow Co-operative/Labour Member of Parliament, Mark Lasarowics. Mark has been working at Westminster to raise awareness of GATS. The decisions on which services are to be opened up as well as which services we wish other countries to liberalise is made at UK level. The negotiations at the WTO, however, are then carried out by EU officials on the UK's behalf. My efforts then have been to galvanise political opinion in Scotland and focus it on Westminster through our Labour colleagues there like Mark. We have had two primary goals. Firstly we have sought to prevent vital public services in Scotland from being offered up for liberalisation. Secondly we have campaigned for a change to the GATS agreement so that it clearly states that vital public services will not be affected.

Supporters of GATS have pointed to Article 1.3 of the agreement which, they argue, protects public services from unwanted and inappropriate liberalisation.



However, there is much doubt as to whether this is truly the case. There is a wide body of informed opinion which is warning that Article 1.3 might not protect public services in the event of a legal challenge. For a start there is a potential legal problem with the definitions used in Article 1.3. The Article does not actually refer to public services at all, only to "services supplied in the exercise of governmental authority". Crucially Article 1.3 goes on to state that even this slightly cryptic definition of services only applies to protecting those services "supplied neither on a commercial basis nor in competition with one or more service suppliers". This latter qualification is most worrying. All major public services are supplied in competition with one or more service suppliers. Private health and education suppliers are the obvious examples but there are many more.

It is my belief that, at the very least, Article 1.3 should be redrafted to explicitly protect core public services from liberalisation, with 'Public Services' clearly defined.

The issue of GATS and the potential threat to public services that it represents was first brought to my attention by John Watson of the World Development Movement (WDM). Few people were aware of what was going on, including politicians. The negotiations held by the Department of Trade and Industry on which services to open up and which services of other countries we wished to be liberalised were being conducted by officials with little input from the wider political community or the public. A successful campaign by the WDM and others at a Scottish and UK level helped to secure a welcome consultation by the DTI. In addition to my own response I and the WDM worked hard to raise awareness of GATS amongst my Parliamentary colleagues. I tabled a series of questions to Ministers asking their opinions on the matter and requesting that they communicate with colleagues in the Westminster Government to ensure Scotland's interests were upheld in negotiations. I also tabled a motion on the issue which urged MSPs to respond to the consultation. In addition I also hosted a reception on the potential effect of GATS on Higher Education both in Scotland and abroad. The reception was addressed by Professor Sir Graeme Davis, the principal of Glasgow University and attended by representatives of all the main players in Scottish Higher Education. Several Labour MSPs and Mark Lasarowics MP also attended. Professor Davis outlined his central concern that liberalisation of the higher education sector could seriously undermine the quality of education and

also academic freedom. The increase in the profit motive as a main driver of activity in the sector could lead to a further worsening of staff to student ratios and a reduction of teaching and research in less popular but important subjects. This might be part of an overall move towards standardisation of education as universities concentrate on providing courses which are the most profitable. This standardisation would reach across national boundaries so that academic interests and perspectives across the world begin to conform to those of the largest, international providers of higher education. This in turn would have implications for academic freedom.

I am glad to say that, following our campaign and those of the National Union of Students and others, the UK Government did not offer higher education as an area for liberalisation during the current round of negotiations. However, we should be under no illusions. When the next round of negotiations comes up, services like higher education will be looked at again.

The complete lack of media coverage of this issue, the lack of debate amongst activists of any party and the behind-the-scenes way in which governmental work on GATS was carried out highlights the need to track decision making on these issues, as I suggested at the beginning of this

article. There is a need to press for greater transparency in decision making and our campaign highlighted that this **is** possible to achieve.

I believe it is vital that the WTO member states look at renegotiating the whole GATS agreement so that it truly serves the needs of everyone equally and fairly and not just the, especially US based, TNCs. In these uncertain times there is a pressing need to reach a just settlement between the world's rich and poor. Only by being fair and being seen to be fair will we defeat poverty and the hotbeds of extremist fundamentalism that it helps to breed. Leading officials in the Whitehouse have recently admitted that they were wrong to believe that the US could deal with its global security concerns more or less on its own. Even the mighty US has been reminded that it exists in an interdependent world. The quicker economists at the US Treasury, WTO, World Bank and IMF grasp the full implications of this and apply it to economics the better for all of us. ■

*Helen Eadie is Labour MSP for Dunfermline East*

# landlord's rule

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Dr Jean Shaoul argues that the Private Finance Initiative is not just about the private provision of public services but the corporate control of public policy

Introduced in 1992 by the then Conservative government, New Labour's flagship policy, the Private Finance Initiative/Public Private Partnerships (PFI/PPP) has expanded rapidly since 1997 when the incoming Labour government smoothed the obstacles in its path and applied it to most public service infrastructure projects. By the beginning of 2003, more than 150 projects with a combined capital value of more than £11bn were in operation, while more than 250 projects, valued at more than £27bn, have been signed, the largest being the hugely unpopular and contentious London Underground PPP.

Rather than paying up front, the government has commissioned the much needed investment in Britain's crumbling physical and social infrastructure on the basis of design, build, finance and operate contracts, payable annually for up to 35 years. Such projects now commit a rising proportion of government expenditure for years to come, tying the hands of future governments. It is policies such as PFI and its impact that lies behind the so-called voter apathy. After all, why vote when policies and projects cannot be reversed.

The policy has led to the creation of privately owned public service providers in a number of sectors such as roads, prisons, hospitals, schools, etc. The state has, to quote H M Treasury, been transformed "from being an owner of capital assets and direct provider of services, into a purchaser of services from a private sector partner responsible for owning and operating the capital asset that is delivering the service". It has created entirely new corporations wholly dependent upon the state that the right-wing ideologues claimed they wanted to roll back and a new sector, the facilities management industry, now one of the Stock Market darlings.

The PFI/PPP policy has a number of important distinguishing features. It was not a policy introduced by the grass roots movement of any political party; neither has it won popular support. Unlike the privatisation of the former state owned enterprises, it is implemented on a piecemeal basis without explicit legislation that can provide the focal point for democratic opposition. The government's regulatory processes and appraisal techniques – complex, value laden and opaque – ostensibly established to ensure value for money, have increasingly been controlled by the private sector: firstly by the Treasury Task Force, set up to promote PFI projects and staffed by secondees from the major accountancy

firms that have helped to design and promote the policy; and now by Partnerships UK, itself a PPP controlled by corporate interests with a vested interest in the policy.

Indeed, in a number of PPPs, most notably the London Underground and National Air Traffic Services (NATS) PPP that became insolvent within three months, the government used financial advisors from the private sector who had a vested interest in promoting the policy. Even this writer's third year students who were asked to evaluate the deal on the basis of NATS' own accounts and the Government's offering circular as part of their assessed coursework could see that it would not make any money for eight years. Yet the government's advisors on the NATS deal, paid millions of pounds, could not. They admitted that they had accepted the brief because they saw PPPs as an important new market.

Consider how PFI works using new hospital builds as an example. PFI schemes are only supposed to go ahead if they can demonstrate clear benefits to patients, value for money, including the transfer of risk to the private sector, affordability, savings to healthcare purchasers and good management. But the methodology used by the Treasury to compare such privately funded schemes against conventional procurement is seriously flawed and little reliance can be placed upon such financial appraisals, as the National Audit Office has repeatedly argued. Indeed, an examination of a number of business cases reveals that they fail to satisfy even the Treasury's own criteria. The result has been hugely expensive and unaffordable hospitals that require subsidies at the expense of other services.

The new £180m Royal Infirmary of Edinburgh (RIE) is fairly typical. It concentrates services formerly provided at four central locations in Edinburgh at a less accessible greenfield site. The surplus assets, 70 acres of prime city centre land, were transferred as part of the deal (to reduce the huge cost of private finance) to a subsidiary of one of the PFI partners for a mere £12m and subsequently sold on for commercial development – no doubt at a hefty profit. The new hospital, like all the other PFI hospitals, has fewer beds: 869 instead of 986; and fewer staff to care for a case mix which will include proportionately more acute care and thus increase the workload of those who remain. Both factors have important implications for patient care: less access to healthcare and poorer quality of care. The Treasury, aided by – as we have seen – the

not disinterested Treasury Task Force, nodded through this and similar projects although any objective analysis of the business case and planning showed that it was flawed and poor value for money.

The private sector enterprise that will build, own and run the road, hospital or school is not an existing corporation but a consortium or Special Purpose Vehicle (SPV) that must raise the necessary finance from the capital market. The SPV is typically a shell company, owned by a financial institution and construction and facilities management corporations that will in turn sub contract the construction and provision of the non-clinical services back to the subsidiaries of the parent companies that spawned the SPV. Should the Trust fail to have anticipated its needs correctly or if its requirements change, then the private sector provider is in a powerful position to dictate terms. To cite but one small example, RIE's failure to specify that the SPV should fill the water jugs on the patients' bedside table has resulted in an additional annual charge of £40,000. For all the government's talk of incentivising the private sector contractors with penalties for poor performance, the evidence shows that the maximum penalties that contracts provide for are very small: £100,000 on a £19m annual fee. So while good performance on cleaning is vital to the Trust's functioning and patient welfare, not to say its performance targets, from a financial perspective, it is hardly worth the Trust's time to chase the SPV. Standard and Poors, the credit rating agency that assesses the risk of PFI bonds for the capital markets, has the measure of it. They note that the penalty clauses are hardly onerous. While Carlisle hospital has had three availability 'incidents', only one involved a penalty and that was for less than £100. While performance on some of the facilities management contracts was poor, this was in the sixth month 'ramp up' period when penalties could not be enforced.

Roads and bridges provide another illustration. The PFI contracts for roads and bridges, known in this sector as Design, Build, Finance and Operate (DBFO), and paid for either by the public directly in the form of user charges (Skye Bridge or Birmingham Relief Road) or indirectly by the government in the form of shadow tolls, creates a powerful commercial lobby with a vested interest in promoting road transport, new roads and user charges.

In the case of the London Underground PPP, such is the cost of the scheme that the government has had to provide extra funding and the Mayor of London has introduced a congestion tax for drivers entering central London. While ostensibly introduced to reduce congestion and fund public transport, it is inevitable that the revenues will

be used to fund the PPP and hence the returns to the financial institutions. But the aim of reducing road traffic may not dovetail neatly with that of bringing in revenue for public transport. The more successful road taxes are in reducing traffic, the less they will bring in if people walk, cycle, work from home via the internet, or relocate. Moreover, if the revenues from road taxes become the main source of funding for transport other than fares, other measures for reducing traffic, which do not yield revenue, e.g., pedestrianisation, reduced speed limits, and bans on traffic during certain hours, will be neglected.

While most of the corporations involved in PFI are currently UK corporations, the restructuring of the global economy and Britain's economic decline must lead to their takeover by international corporations. This in turn means that services that were once provided and funded by the state and largely beyond the reach of corporate profit will soon be part of the wider international economy, while the World Trade Organisation's General Agreement on Trade in Services will ensure that state funds provided for traded public services must also be made available to the private sector. Thus the corporations will be in a powerful position to control the 40 per cent or so of the UK and other countries' GDP that has thus far eluded them.

The evidence shows that the PFI is nothing less than a huge redistribution of resources from the public at large to the financial elite. But there are also the wider political implications. Firstly, the Treasury's abandonment of its former cautious policy of inter-generational equity in favour of promoting PFI has also changed the nature of public expenditure: the government now spends more than half of its budget, excluding welfare payments, outside the public sector, raising issues of public scrutiny and accountability. But at the same time it has retained responsibility for public services without effective control.

Secondly, the corporations' direct control of the assets and services and indirect control of the regulatory processes have the potential to determine future policy in ways that firstly may conflict with other and potentially more popular or rational social and environmental policies, and secondly are less amenable to consultation, participation and scrutiny by either the purchasing agencies, government, parliament or the electorate at large. Given also the corporations' huge size and international character, there is a huge imbalance in power between the purchaser and provider, which must lead to a profound transformation in the way we are governed. ■

*Dr Jean Shaoul is Senior Lecturer in Accounting and Finance at Manchester University*

**Corporations will be in a powerful position to control the 40 per cent or so of UK GDP that has thus far eluded them**

# which nationalism, which snp?

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Isobel Lindsay charts the history of policy-making in the SNP and suggests it is not too late for the Party to have an impact on Scottish politics

Looking at the last Holyrood election campaign as an outside observer, what were the main policy messages that came out of the SNP's campaign? Yes, of course, they favour independence but apart from that, the three policies being most strongly projected were cuts in corporate taxation, more police and tougher treatment for troublesome kids and their parents, and more and better-paid nurses. Nothing much in this that would distinguish the SNP from Labour or Tories and rather more illiberal than the Liberal Democrats. Was there anything that could be considered inspirational or ideologically coherent? The answer has to be no. The SNP wasn't coherently Green or egalitarian or conservative or libertarian. It just wasn't anything in particular and it lost out to parties who had some clarity in their values. Presentation was no substitute for substance.

In 1991 I wrote the following analysis of the various ideological positions underpinning modern nationalism:

"We can readily identify four (ideological positions), not neatly self-contained in practice but distinct enough to be recognisable. The first is a romantic, sometimes semi-mystical, concept of nationhood, legitimised by length of history and communal experience - strong on the rhetoric of freedom and cultural distinctiveness. The second is a small state nationalism as part of the process of decentralising power structures, creating a new kind of democratic ethos with related economic values, perhaps now more easily identifiable as nationalism with shades of Green. The third is nationalism as Left politics, as a route to a state more socialist in its values. People in this category might not be nationalist in Bavaria but are happy to be so in Scotland. The fourth is nationalism as modernisation, as a response to uneven development, a perception of Scotland as economically and socially backward. A desire to join some 'premier league' but with no clear Left-Right dimension."

The problem with the SNP's development in the past few years is that the last position has come to dominate in the senior levels of the party and the other strands

have been discarded. But they have not been discarded by many members and supporters who have been left disoriented. This has happened at a time when there was a vigorous Scottish Socialist Party to appeal to the

Left position and a distinctive alternative home for those sympathetic to Green nationalism. To make things worse, the pragmatic 'modernisation' space has had to be shared with Labour. Voters did not mistakenly vote SSP or Green; those who did so wanted alternative values and vision and this was not on offer from the SNP. Those who were less concerned with alternative values or visions were just as likely to vote New Labour which was also offering neither.

For the SNP as for all parties there are issues of process and substance and these interact. After the SNP's major growth spurt at the end of the 1960s, there was a significant divide between those supporting an 'independence, nothing else' position and those seeking a broader political profile. The former thought that any attempt to develop a range of policy

positions beyond the most basic generalisation was a distraction and would create divisions. The latter believed that to be trusted and to make the independence message effective there had to be an illustration in policy terms of what Scotland could aspire to and of what the electorate could expect the SNP to support if its members were elected to any level of public office. When Billy Wolfe took over as National Chairman in 1969, he acted decisively to support the second position and established a very open process to involve members. A National Assembly was introduced with constituency representation, smaller and more appropriate for policy dialogue than the National Council. Policy Committees reporting to it were open to members who had a particular interest in a subject. For a range of people, including some with genuine expertise, it deepened their involvement and it spread ownership of the policy direction over quite a wide base. This was not a rubber stamp, take it or leave it policy process. The numbers actively involved were hundreds, not thousands, but this did help to evolve a generation of candidates probably of greater distinction than is the case now. There were always critics who considered this work a waste of time, a distraction from campaigning, but on the whole it

**In 2003 the SNP wasn't coherently Green or egalitarian or conservative or libertarian. It just wasn't anything in particular and it lost out to parties who had some clarity in their values**

was accepted particularly with the prospect of a Scottish Assembly on the horizon. Had the 1979 referendum been successful, the SNP would have gone into the Assembly as the best-prepared party. But the script turned out differently and in the bitter disappointment of the post-referendum period there was a mood of hostility to the time spent on the policy process as a waste of political energy.

There were some over-arching themes that emerged from this work in the '70s. One was democratic participation, not only in the constitutional policies but also in the context of the workplace, the Health Service, etc. Another was an early, if not always consistent, concern with environmental issues promoted by people like Malcolm Slessor and Kerr McGregor, well ahead of the other major parties. A radical land policy also distinguished it from others. There was a strong strand of interest in community development and in cultural issues, now politically in fashion but less so then.

There was work on Scotland's international position, promoting membership of the Nordic Council and the formation of an Association of British States. The work on industrial development was in many respects more sophisticated in content than that currently on offer. There was an early lead in the '70s in opposition to nuclear power, nuclear dumping and nuclear weapons. The potential was there for developing the SNP as a party encouraging and promoting new thinking with a value base of democratic participation, economic egalitarianism and ecological concern. Instead this was all squandered in the 1980s.

The reasons for this were understandable. The failure of the referendum to deliver and the loss of support that accompanied this sent activists off in two different directions. One was the fundamentalist advocacy of campaigning for independence without getting involved in conventional political issues except where they could be used to illustrate the damage to Scotland of Westminster control. The other, in the form of the '79 Group, was to interpret the failure of 1979 as a failure to appeal to Scotland's traditional working class and to advocate that the focus should shift to an identification with manual workers in the main industrial areas of Scotland. The problem with this analysis was that it was being promoted at a time when the employment base of the country had been shifting significantly away from the traditional industries to the service sector, from manual to white collar, from men to women. This shift was in the process of becoming even more dramatic. A simplistic 'old

Labour' approach was not the most appropriate response to the social changes taking place.

This is not the place to go into the complexities of the bitter battles that ensued. These were driven by personality and power factors as well as by policy and strategy differences. Even if these intra-party conflicts had not taken place, it is doubtful whether the wider political and social circumstances would have facilitated a substantial bounce-back for the SNP. The collapse of much of Scotland's industrial base and high unemployment made many people defensive and afraid of risk, and independence is always likely to be seen as a high risk/high reward option. Also the immediate political priority for much of the Scottish electorate was how to get rid of the Tories. In the early 1980s the formation and rapid growth of the Social Democratic Party for a short period looked as if it might have a better chance of undermining Conservative support. Later, although Labour was

performing badly in the polls in England, it was still seen as a more plausible alternative to challenge Thatcherism in its power base, the British state. Parties have only limited political autonomy; they have to operate in an arena with changing players and changing events.

More recently the SNP missed the opportunity of taking the lead in social justice issues. It missed the opportunity to take the lead with an integrated ecological strategy for Scotland. Without these two visions, it was left competing with Labour in a clichéd 'modernisation' contest accompanied in both cases by crude attempts to appeal to a prejudiced law and order theme.

The outcome was that many thoughtful people, looking for an alternative vision, opted to vote for the Scottish Socialists or the Greens. These two parties are not going to disappear. They are now part of the political context in which the SNP will have to operate. If you cannot fill the role of the radical cutting edge because others have filled it, the best option may be to develop the role of generous and constructive alliance-builder. If the aim is

independence, the development Labour has most to fear is the emergence of a cross-party alliance that starts to look like an attractive and viable alternative coalition. ■

*Isobel Lindsay was a National Office Bearer in the SNP for 20 years. She has not been a member of the Party since 1990.*

**The potential was there for developing the SNP as a party encouraging and promoting new thinking with a value base of democratic participation, economic egalitarianism and ecological concern. Instead this was all squandered in the 1980s.**

# what next for the snp?

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Radical party of the left or mainstream party of the centre? Independence first or focus on the policy portfolio for government? Professional and disciplined modern party or a party powered by activists? A party committed to building links with others who want independence or a party, which presents itself as strong enough to bring change on its own? We asked two MSPs and three activists what next for the SNP?

## Independence - blowing our way

**Rob Gibson MSP**

Whoever was SNP leader, the result in May 2003 would have been little different because the stormy winds of world politics have swept away a more local focus since 1999. One-sided globalisation and rampant US imperialism via the WTO came centre stage. The claim of 'other futures' swirling from the streets of Seattle have yet to blow away Unionist cobwebs in Scotland. Who can deny that nations, not regions or pressure groups, will shield us from the icy free market blast?

Blair and his soul mate George Bush met the shock of nihilistic global terror at New York's 'ground zero' by flattening Afghanistan. Idyllic Bali was Al Qaeda's riposte. Eventually a sickened public were prodded into unprecedented street protest against a Bush/Blair Iraq attack. Who could have predicted a more horrible world scene as a run-up to our 'local' polls? Relief at a speedy 'end' to hostilities alone saved New Labour's bacon but put on hold Scotland's democratic development.

Across Scotland we need the right of every community to be at the heart of national life; to repopulate the North and inner cities; to release our unique quality of life, wind wave and tidal power in abundance plus local control of land and fish stocks. In 2007 the same comparisons with independent Iceland, Denmark or Ireland will be just as valid.

In sharp contrast Jack McConnell's 'people's priorities' that dominated election coverage offered only the under-powered, under-funded Executive to micro-manage us and kill real debate about our future in the EU, UN etc.

Financial mismanagement of the new parliament building switched off half the voters, while a fifth who bothered to vote, vented their frustration against Labour and SNP by voting for Greens, SSP and independents. What happens to debate after the stunning new building is opened?

As ever SNP has no alternative but to fight on all fronts; in Holyrood for decent services and building experience and in London and Brussels to stand up for Scotland. So it would be nonsensical to relegate the economic case for independence because its validity is increasingly accepted by thinking Scots. Triggering voter interest requires a professionally run party. Efficient fund raising is needed, membership computerised and activists, whether in Angus or Annesland, freed to campaign and sell local ways to make social democracy work.

We have to win popular recognition for the powers of an independent nation. New Labour can't deliver real change. It can only cling to the weakening branch of Unionism. Scots aren't daft enough to believe extremist panaceas or a hundred year old socialist rhetoric. They believe in common sense. For Iceland, Norway or Ireland did not resort to extreme measures but merely built self-esteem and rigorously practice subsidiarity. London will eventually say no to a popular Scottish cause and the strategic vote for SNP will become obvious. A big 'Yes' to independence in the subsequent UN-supervised referendum will help build one of the new hopeful forces in democratic world redevelopment.

*Rob Gibson is MSP for Highlands and Islands*

## Taking people with us

**Fiona Hyslop MSP**

Searching for the soul of the SNP as a reaction to an election result fought in the heat of a war and beating ourselves up as to who is a more committed nationalist than the next person is the worst of all worlds for a Party wanting to deliver independence for Scotland. It reflects

an inward debate about defining ourselves simply in reflection and reaction to other parties and defining ourselves by what we are not. And macho posturing internally about who can shout freedom loudest excludes the huge number of the public automatically excluded

from this debate - the ones who don't currently believe in independence but the ones we have to rely on and take with us to win.

For the SNP to succeed it must embody the national politics of Scotland and embrace the enduring values and heritage of the democratic tradition and outlook in Scotland. If we want to find a political soul for the SNP then we will find it in the traditions of Scotland and indeed the SNP. Democratic, decentralised radicalism grounded in an internationalist outlook are the political values of the SNP in the 1960s and can be as true today as they were then. A party can be both mainstream and radical. Look to Scandinavia where mainstream parties can deliver, by our terms at least, radical policies. Democratic renewal and a shake out of how we govern can deliver a radical approach.

Where do we stand in an enlarged Europe which will change perhaps beyond recognition? Who are our allies? Who will share our values as a small, essentially social democratic nation in the decades to come? A firm left of centre pro-European position is a distinctly Scottish position to take.

Independence is about power and control for the people of Scotland; that is why the winning of independence must

be controlled by the people of Scotland in a referendum. That again is the democratic Scottish way. The winning of a general election and threat to the Westminster government to negotiate or we declare UDI always left an unsatisfactory degree of power and discretion with the Westminster government. That is a recipe for slow progress, stalling and the dead hand of the British state. The establishment of the Scottish Parliament meant the 'Westminster or Bust' means of securing independence was and certainly should have been consigned to history.

The SNP as by far the largest nationalist opposition Party must ensure it is strong enough and have the breadth of public support needed to win power as the Scottish Government, in order to exercise power with and behalf of the Scottish people. To win power we need policies for Government, and a disciplined, professional approach - but then so have other successful nationalist powers in history. The Scotland, and the SNP we seek, can be found, not by searching for it in the reflections and shadows of traditional British politics but in our own terms.

*Fiona Hyslop MSP is National Vice Convener Policy for the SNP*

## **The SNP has no alternative but to fight on all fronts; in Holyrood for decent services and building experience and in London and Brussels to stand up for Scotland**

## **A republican socialist SNP is the way forward**

**Joe Middleton**

The leadership challenge of Bill Wilson is a symptom of a party which no longer knows exactly what it stands for. The SNP is in a crisis. We have had a very bad election result, we are effectively skint, our activists are discouraged and our membership is falling. To pretend all is well is not good enough. As a constituency level activist who has been in the SNP for sixteen years I believe the party can turn its electoral fortunes around, but firstly we must stop drifting towards the centre and push our full range of left-wing policies. If we don't make a choice about our future direction then we run the risk of becoming irrelevant to the Scottish people.

Paying lip service to the UK monarch dilutes our credibility as Scottish nationalists. There is no good reason for an

oath to the Queen being a requirement for entry into the Scottish Parliament. If it can be ditched for nationalists at Stormont it can be ditched for Holyrood also. A clear republican policy could be the defining principle which could revolutionise our party.

We all want more powers for the Parliament but these are not going to be granted by the UK Government. Only full independence can release the Parliament, independence can only happen with majority support, therefore we need to hold and win a referendum on independence. I don't think we should wait three years to do this. We should hold it as soon as it can possibly be arranged. I would prefer to see us not stand for the parliament at all than sell our political soul for a share in regional government. The

parliament has to be a stepping stone to independence, not an alternative to it.

We need to work with the other independence parties to try and maximise debate on independence and push for a referendum. The Lib-Dems might at some point support such a policy but they are a unionist party and their natural ally is Labour not the SNP. There are three unionist centre right parties already; we need to carve a distinctive consensus from the left, along with the new independence supporting independent Scottish parties, the Greens and SSP.

Rather than admit that the 2003 result was poor the party prefers to congratulate itself on winning First Past the Post seats. Firstly, there was only a couple of wins, secondly they were by people who were already in the parliament via the regional lists and thirdly they were by people who had achieved a high profile in the parliament. The problem is our disastrous performance throughout the central belt at the elections. Labour are progressively becoming less popular but are we offering a inspiring alternative?

Why are our activists falling away, why is our membership decreasing? Activists are in politics to win debates, to win

arguments, to defeat opponents. To do that we need a coherent and consistent set of policies. Politics is not just about organisation; it's also about inspiration. We have to regain the radical ground and portray a vision of a more just society with independence. We have to say what our full policies are and not allow ourselves to be boxed in by debates on what can be achieved within the Scottish parliament.

As a democrat I welcome the fact that Mr Wilson is standing. Whatever the result it will enable the party to debate our future direction. However, to actually change the direction of the party would require an alternative slate of similarly committed individuals; one man is not enough and one change in the leadership wouldn't necessarily make an enormous difference. It is the direction of the party rather than our front man that we actually need to change. Those in the SNP who believe in a republican socialist future for the party must work together and attempt to win the political debate internally. That is the only way we will make our party a dynamic political force again.

*Joe Middleton is Press Officer for Midlothian SNP and has been in the party since 1987.*

## **There is much for nationalists, the Greens and the traditional left to agree upon**

## **Taking ownership of Scotland**

**Alasdair Nicholson**

As I contemplate the question of the future of the SNP, I lift my eyes and look down the croft towards the Minch and the faint distance of Sutherland. Hidden from this angle is the monument set up to commemorate the 1920 land raids of the farms on which the existing townships stand, now part of the locally owned Stornoway Trust; a quiet model of community ownership, as is the more recent buy-out of the North Harris Estate. However, as Alastair MacIntosh pointed out, Land Reform Scotland has calculated that on current funding it would take 3,000 years (taking Gigha as an example) to buy back Scotland. And no doubt, in the meantime, some existing landlords will look at the advent of wind farm proposals as a means to push up land values in areas newly recognised as potential sites for wind farm developments.

There is, no doubt, much for nationalists, the Greens and the traditional left to agree upon, such as the principles of community ownership and even the advocacy of renewable energy, both long-standing nationalist policy platforms. Community ownership, however, is also

about self-determination - no problem to the SNP but still a problem for Labour, which limits and restricts its application and is broadly content to see the purse strings, and much else besides, still controlled outwith Scotland. Radical policies, whether they are about land, sea fisheries, human rights, poverty, transport, fiscal policy, the environment, globalisation or relationships in Europe and the USA, are all important in shaping the type of civic and political Scotland we want to see. It is also about social values, justice and fairness, of which no single party has ownership, but unless we in Scotland achieve the level of statehood which normal modern nations exercise, we will remain forever doling out miserable treatments that never cure and seldom alleviate the symptoms of our society's ills.

If we are to see our people raised up, whether that is in our cities, our small towns or in rural communities, we need to show political leadership across Scotland, to campaign with our citizens on the issues that matter, and to build a new dynamic for independence that is broader



than current levels. In essence, we do need to be a centre left party with radical ambitions, building relationships not merely with those who support independence but with civic Scotland as well. The challenge for the left and others outside the SNP is to disengage from the discredited and shabby straitjacket that the Westminster system represents, and become a partner for a socially just and free Scotland; one which can be truly progressive on the domestic front and confident abroad. Perhaps we will then begin to see a Scotland that can share, exchange and learn with other peoples how we can work better to resolve common humanitarian and other issues.

We don't have the luxury of allowing ourselves to be diverted or divided, something which will only benefit the Westminster-led establishment, with all their vested interests and public relations. Nor should we copy New Labour but be true to our values and the best democratic practices that can be devised.

*Alasdair Nicholson is Chief Executive of Voluntary Action Lewis and was a founder of the Crofters Union and former Housing Chair of Comhairle nan Eilean Siar. He was the SNP Western Isles candidate in 2003.*

## Free Scotland, not free market

Sean Clerkin

The May Election was a disaster for the SNP. John Swinney and his 'free' market supporters have taken the Scottish National Party in a rightward direction making it into just another 'free market party' that working class people could not vote for in 2003. Instead they turned to the Scottish Socialist Party, Green Party and Independent candidates.

In the run up to the election the SNP leadership believed that a policy to reduce business taxes to stimulate economic growth would win the election. In Glasgow Bailleston where I campaigned, the MSP candidate Lachlan McNeil brought Jim Mather to the East end of Glasgow to do a presentation on 'free market economics'. Lachlan was delighted but only six people turned up. Mather, with his fancy graphics, failed to convince the rest of us that cutting business taxes would restore prosperity to Glasgow and the rest of Scotland. Swinney's SNP has completely ignored the needs of working class people, pandering to big business and their supporters.

Following the election I was about to resign from the SNP when Bill Wilson announced his candidacy for the leadership of the Party. It is encouraging that he wants to put independence at the top of the political agenda and that he wants to return the party to grass roots activists. However he and his fellow 'Young Turks' have ignored the social justice agenda. They have said nothing about opposing the privatisation of public services and the redistribution of income and wealth and the consequent eradication of poverty. He offers no vision of the party being on the radical left. He offers little or nothing to the hundreds of

thousands of Scots living in poverty with no hope for the future. Having said that, I do believe that his candidature offers a starting point for SNP members to debate the future ideological and policy direction of the SNP.

Do we want a 'free market' party obsessed with promoting capitalism at any cost or do we want to subscribe to a radical policy agenda that gives hope and proper life chances to the vulnerable and dispossessed in our society? Of course as a democratic socialist I subscribe to the latter. The SNP has to become the radical party of the mainstream left advocating innovative policy intervention such as increased public funding for small community businesses in deprived areas to create employment. We should use our tax raising powers and the annual underspend to create first class public services. In this way we can put clear RED water between ourselves and Unionist New Labour.

Alex Neil's call for an Independence Convention for all the political parties that support independence to come together has to be welcomed, where socially progressive people can map out a road to Freedom for Scotland based on Social Justice and equality to defeat the reactionary free market unionists once and for all. The SNP can only move forward if it incorporates a radical left agenda to eradicate poverty, otherwise the defeat of May 2003 will only be the start of the irreversible political decline of the SNP. ■

*Sean Clerkin is an SNP activist*

# finding the missing pieces

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Derrick White argues that a psychometric assessment of the suicide of Dr David Kelly leaves many questions unanswered and unasked

“Our thoughts and our prayers are of course with the deceased’s family”, is the predictable and all too often platitudinous response from politicians to a tragic event where life is lost. As the Hutton Inquiry proceeds it is increasingly obvious that the thoughts of the participants are far more concerned with their own sectional interests than with the loss of a decent and conscientious man. Were Dr David Kelly the focus of this enquiry rather than the fulcrum on which the two protagonists see-saw, one glaringly obvious question would have to be addressed. If Dr Kelly did kill himself – why?

Carl G Jung gave us the language of Personality Profiling. Jung’s philosophy revolved around dichotomies – light and dark, good and evil, yin and yang which extended to human personality as extrovert/introvert, sensing/intuitive, thinking/feeling. Sensing people are those who make judgments on the five senses, hard facts, evidence, proof. Intuitives tend to rely on gut instincts. Thinking people perceive the world by observation and rational deduction. Feelers are more tactile and demonstrative.

There is some risk of error in personality analysis without a more comprehensive assessment. However it is not unreasonable to classify Dr Kelly as one of Jung’s Introvert Sensing Thinkers. The IST personality type is analytical, conscientious, detailed, thorough, unexcitable, undemonstrative, cool and detached. ISTs rely on empirical evidence, rational deduction and intelligent analysis. They do not like confrontation and can be dismissive of those who make hasty or rash judgments or decisions. They have the ability to work continuously on a single assignment and usually get it right unlike the more extrovert feeling types who can be easily distracted and allow emotions and instincts to influence their perceptions and judgments.

Unless Dr Kelly was suffering from major depression or in the depressive phase of bipolar disorder, suicide (or **apparent** suicide as the BBC continues to say) seems entirely out of kilter with Dr Kelly’s personality profile. Assuming Dr Kelly’s balance of mind was not clinically disturbed, what possible reason was there for the man to kill himself?

Reasons for suicide generally are directly related to emotions such as grief, shame, sense of rejection or morbid fear. Had Dr Kelly killed himself before attending the Foreign Affairs Committee of the House of Commons, it might be construed that he became overwrought at the prospect of public confrontation and possible humiliation. But it was two days after his appearance when he died. Was he afraid of losing his job or pension rights?

Certainly not a rational deduction for an IST; moreover any concern in this field would be for his family. It would be wholly irrational to deny his family the very thing they loved most – himself.

Was he ashamed? Hardly; what precisely had he done? Had he betrayed his country like Burgess, McLean, Philby or Blunt? Far from it – if anything his country had betrayed him by planning for war while his mission was essentially one of peace. Had he spoken with BBC journalist Andrew Gilligan in pursuit of self-aggrandisement, or in an attempt to sell an inside story for money? Not at all. Was he motivated by any form of self-interest? No. Was there an undercurrent of underhand political point scoring? Again no. Politicians, civil servants and others have committed the most appalling breaches of trust by leaking information, betraying their own parties or departments, all in the name of political or personal gain. If such dishonourable acts were the cause of suicide our entire

Establishment would have been decimated. But Dr Kelly had done absolutely nothing dishonourable. Even Dr Kelly’s superiors alluded to his unauthorised speaking with a journalist as an indiscretion or a misdemeanour. Politicians could hardly find any great fault in Dr Kelly’s actions when they cannot wait to appear on the media and will leap from their beds at the crack of dawn to appear on the BBC’s **Today** programme.

The worst charge against Dr Kelly is that he was indiscreet. Even then Dr Kelly wrote to his line manager acknowledging his actions. Is this the action of a dishonourable man? But to return to Dr Kelly’s motive; why did he wish to speak with the BBC? This was a man acting in the public interest. This was a man who knew Iraq well having been there countless times. This was

**Had Dr David Kelly betrayed his country like Burgess, McLean, Philby or Blunt? Far from it – if anything his country had betrayed him by planning for war while his mission was essentially one of peace.**

a man who knew more about WMD than anyone apart possibly from Hans Blix. This was a man who grew increasingly uneasy at the mounting strident tone of the advocates of war. The forty-five minute capacity of a Saddam missile attack has always been a red herring. Dr Kelly felt a duty, as a rational IST scientist, to counteract the flow of exaggerated misinformation which 10 Downing Street was emitting. He had to express his deep concerns to someone. The MoD didn't want to know. Geoff Hoon was already on-side with Blair and Campbell. Because of the MoD's compliant approach to No. 10 their most senior civil servant, Sir Kevin Tebbit admitted to a "deep sense of responsibility" for Dr Kelly's death; he hastily added "though not culpability". Dr Kelly's actions were quite consistent with the personality profile of an IST. What was entirely contradictory of an IST was the disgraceful and inaccurate term used by Tom Kelly, the PM's spokesman, that Dr Kelly was a "Walter Mitty" character.

The fantasist type is the diametric opposite to the IST and is far more likely to occur in Extrovert, Intuitive, Feelers. ISTs deal in facts, reality, the here and now. Because the remark is so palpably wrong, one can only deduce that it was a deliberate attempt to discredit Dr Kelly. And as for

Tom Kelly's other allusion to a "game of chicken" between the BBC and No. 10 it really tells us more about Dr Kelly's detractors than about the man himself.

The question remains, why would a man who has done no wrong, quite the reverse, a man with a calm, rational and analytical mind, commit an irrational act which is notoriously charged with high emotion? Why would he leave a family who loved him? Would he allow what was, at worst, a minor misdemeanour force him to end a distinguished career and terminate that which we all hold most dear, life itself? There are missing pieces in this tragic jigsaw. We do not have all the facts. We owe a debt of gratitude to Dr Kelly and the least we can do for his reputation is establish precisely why this good man died. ■

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# book reviews

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**Eurovision or American Dream?, David Purdy, Luath Press, £3.99. Reviewed by John Kay.**

Purdy's book sets the debate on the Euro and future of European Union firmly in the big picture, a debate he claims has been insular, shallow and dull. He's in favour of the Euro but the hard questions aren't dodged, and he sees the EU as good for Britain and the world because it "offers possibility of preserving the best of modern Europe while challenging unlimited rule of global market forces", themes missing from current debate. It's a welcome approach given Blair's timidity and lack of perspective in face of right wing xenophobia. With or without a referendum these wider issues will remain at forefront of national and European politics.

Purdy claims Brown's five tests served to keep the Euro off the agenda and are somewhat arbitrary: exchange rate excluded, financial services mentioned but not manufacturing; they reflect the "crabbed caution of the Treasury". He admits to something of a leap of faith involved whether out or in, and allows that caution is defensible up to a point as long as there's a serious effort to inform the public about the issues at stake. A separate national currency is no guarantee of monetary autonomy in a world where money moves rapidly, speculators switch funds putting irresistible pressure on exchange rates, (remember Sterling's fate on Black Wednesday). The stark choice for Britain is between a fully floating exchange rate and a certain stability in the Euro. We export three times as much to Europe as USA, and while Europe is experiencing growth problems, it represents one sixth of world output. At end of the day Purdy asserts its about passions and politics as well as economics.

Europe's likely enlargement from 15 to 25 nations brings many problems and EU leaders can no longer depend on peoples "permissive consensus"; they need to restore their own citizens' faith in European ideals and institutions. The Convention on Europe's Future and Giscard D'Estain's draft constitution has aroused right wing fury and raises crucial questions: how should Europe's governing institutions be reformed? What is appropriate division of powers between supra-national agencies and national governments? United states of Europe versus united Europe of states? Disputes here are not surprising in an evolving union of semisovereign states – there is also Europe's democratic deficit and its two most powerful institutions. One suggestion is to remove Council secrecy and require its legislation to be approved by the European Parliament, but the big players are wary. While admitting these difficulties Purdy affirms a multi-tiered Europe of the regions is a desirable goal: progress here could help restore peoples faith in Europe, and he poses the big question – what is the EUROPEAN Union for?

The clash of civilisations is not between authoritarian Islam and democratic western capitalism. Its between

two incompatible kinds of capitalism Purdy suggests – Europe versus America. He puts the European debate in this context with European Union as a global actor. A social capitalism, not a market society, but one with a collective ethos – Beveridge, Keynes, social democracy – as against an America where post-war consensus has been swept aside, where big business is in the ascendancy, where America first militarism rules, and where world agencies such as the IMF and the WTO are captured. A social capitalism with a welfare-orientated Europe tackling globalisation would be strengthened by full entry of a supportive Britain. Purdy puts forward some interesting suggestions here as he suggests that countries with lower social protection who are joining the EU should have to meet minimum standards of welfare as part of rules of the game and not as competitive weapons. He suggests that an EU-wide minimum wage but graduated, along with social pacts, according to the economic situation in each country.

Purdy's view is that global protesters are right about an alternative but wrong in assuming it can be built outside existing world institutions. He argues that the point is to change them. A weakness in the book is lack of attention to human and workers' rights and a possible role for Europe's trades unions. The book's final paragraph summarises its philosophy. Are European governments, drawing on shared traditions and collective clout and external ties, prepared to apply themselves to building a better world order, seriously aiding the developing world's poor, reversing despoilation of the planet, rolling back the market and rebuilding structures of citizenship within states and across the world?

**Scotland of the Future: Sustainability in a Small Nation, Eurig Scandrett (ed), Luath Press, £7.99. Reviewed by Isobel Lindsay.**

This book has an exemplary last chapter - 'A Toolkit for Activists' - and it is worth starting with this since it illustrates what every social policy book should do. It summarises the main recommendations presented by the contributors and it does so in a concise format that assesses the extent that the ideas have been accepted by the appropriate executive authority and the extent to which they are likely to be acceptable to the wider public.

The essay collection (the authors are described as 'reflective practitioners' and 'analytical activists') is the outcome of papers presented to a Democratic Left seminar in 2002 and further developed after discussion. The premise on which the book is based is in the words of its editor, Eurig Scandrett, that "...a sustainable economy will not simply be a tinkered-with market, but neither will it wait for a spontaneous revolution. Positive political engagement is possible."

What are the central issues that emerge? Most will not be new to those with any familiarity with green agendas. There are, of course, many who will not have this familiarity

and even for those who have, it is useful to have them gathered together in a Scottish context. There are some major policies that are not within the power of the Scottish Parliament or even the UK. The reform of international trading systems and pollution control are topics on which Scotland can campaign but has little power. The enticing vision of the social wage is well worth promoting as a stimulus to debate but it is a reserved power. Reducing working hours, on the other hand, as Barbara MacLennan argues, appears to be dependent on reserved powers but there is a considerable amount the Scottish Parliament could do in this area. There are a large number of jobs that are either directly in the public sector or are indirectly dependent on state finance. Making a start in reducing hours in these jobs would be likely to impact on people's expectations in private sector work as well.

Most of the writers discuss the contribution that community enterprise and co-operatives can make to sustainable development. This is a subject on which rather more rigorous thinking would have been welcomed. We need to consider where this can work effectively and where it can't. For example it is suggested that money for projects like swimming pools could be borrowed by local groups and paid back out of income. Anyone who has looked at the finances of this and the pricing policies required to ensure that people in a community are enabled and encouraged to use the facility has to come to the conclusion that this has to be a public service not an enterprise that can breakeven. This is a small example but it does illustrate the complexity. Richard Leonard sets out an interesting range of initiatives as a contribution to the promotion of Scotland as the 'green enterprise centre for Europe'. The suggestions for resource sharing, co-operative networks and the local government role are stimulating and deserve further development.

One minor reservation. I have tried to get my head round the case for Land Value Taxation but I still cannot understand why the Greens have got so committed to it. I can see why in some circumstances it could be egalitarian and environmentally sound but other cases in which it could be the opposite. There may be something I'm missing.

**Web of Deceit: Britain's real role in the world, Mark Curtis, Vintage, £7.99. Reviewed by David Miller**

'I have never concealed from you my belief that a little shooting in Indonesia would be an essential preliminary to effective change.' So wrote the British ambassador to Indonesia, in a letter to the Foreign Office in 1965. British complicity in the slaughter of a million people in Indonesia is one fragment of the hidden history of the long and bloody British involvement in international affairs. Mark Curtis compellingly documents the real record of British brutality and support for repression throughout the post 1945 period.

According to the Ministry of Defence the British Army was involved in 53 separate counter-insurgency campaigns

between 1945 and 1969. Yet most British citizens would be hard pressed to name more than a handful. Curtis skilfully excavates the real history from secret government files examining British misdeeds in Iran, Indonesia, British Guiana, Malaya, Kenya and others. He also brings the story up to date with chapters on Afghanistan, Iraq and on the foreign policy of New Labour. Arguing that New Labour changed little in its foreign policy, Curtis launches a devastating attack on the 'ethical' foreign policy and on the sadly misnamed Department for International Development. His account of recent pronouncements shows clearly that underneath the PR spin, most public pronouncements from Labour have not even pretended to ethical concerns in their haste to endorse neo-liberal free market 'solutions' to poverty.

The blinkered outputs of both media and academia are part of the explanation for our lack of knowledge and help to allow officials who are complicit in murder and sometimes in war crimes to escape justice. In many cases they go on to become respected 'public servants' – not least in Scotland. A case in point is the ambassador to Indonesia, Sir Andrew Gilchrist – cited above – who went on to become the head of the Highlands and Islands Development Board in the 1970s. A more recent example is the case of the second in command of the SAS during the Iranian embassy siege. In the SAS raid on the building two hostage takers surrendered and threw their weapons out of the window. When the SAS arrived they were 'pushed... against the wall and shot'. No charges have been laid against any of those involved. The second in command of the SAS on that day did later enter prison, but only in the guise of Scotland's Chief Inspector of Prisons where he gained plaudits for his humanitarian approach. He was later supported by the SNP as a candidate for the job of Freedom of Information commissioner and was called on by the Scotsman to provide armchair commentary on the attack on Iraq in 2003. Clive Fairweather is able to settle into retirement with no blemish on his character. This is a perfect illustration of the web of deceit which operates to draw a veil over the real record of state operatives. How many others implicated in torture, murder and even war crimes continue to find a place in the sun in Scottish public life?

The chief virtue of this book is that it shows how little foreign policy aims and methods have changed over the years from the colonial period to the 21st century. Today global trading rules imposed by the WTO replace the need for classical empire. But the recent history of US and UK imperialism does show that armed interventions are necessary to shore up elite interests. Curtis argues that the military end of imperial strategy as witnessed in Iraq this year is fully integrated into the strategy of economic control and exploitation through the WTO.

The link between the policy of the British state, the interests of transnational capital and human rights abuses is drawn strongly in Web of Deceit. It is an indispensable guide to the rot at the core of British foreign policy. ■

## Authoritarian Man: the Axis of Good

The cold war, neo-liberal triumph and 9/11 have ushered in the assertive global hegemony of the United States and its British and Australian satraps. But the millennial project of imperial nationalism conceals a labyrinth of fear – of ordinariness, lost greatness, multiculturalism, globalisation itself. I suspect that W.B.Yeats' **Spiritus Mundi** must by now be disturbing all serious students of globalisation who read poetry. In **The Second Coming** ([www.geocities.com/Athens/5379/yeats\\_bytitle.html](http://www.geocities.com/Athens/5379/yeats_bytitle.html)) he intuited a desert monster – “with lion body and the head of a man, and a gaze blank and pitiless as the sun” – the rough beast of futurity shambling towards its inheritance, quite unlike the progressive bloke liberal theorists had been looking out for.

Yeats was addressing nationalism and fascism between the two world wars. But what if that was only one episode in a longer-running drama that is now reasserting itself? This thought is hard to avoid for anyone returning from Australia to a practically unrecognisable United Kingdom, in which a decent, married man bleeds himself to death to escape the state, nobody resigns, and the BBC stands accused (by Her Majesty's Government as well as the Murdoch press – [www.newscorp.com/index2.html](http://www.newscorp.com/index2.html)) of peddling disrespectful lies unto other nations. Meanwhile the satrapy Leader soaks up 17 standing ovations from the US Congress, before spending a week sorting out coalition affairs in the East Asia. This man is also known for his renditions of progressive-bloke liberalism.

The grander 'what's up?' query may also be put more concretely. For two decades, the globe has heard about little but the decline of the dreary old nation-state: lowering borders, less state interference, just one market under God and so on. How come, then, that following 11 September 2001 by far the greatest explosion of nationalism since 1945 has taken place in the United States of America – the alleged identikit for global democracy, and the motor of the globalising process itself?

Whatever became of 'economic man', and an increasingly prominent economic woman? They were thought to be above this kind of thing. Yet now, even after demolishing the caves of al-Qaida in Afghanistan, they have responded with a huge armed attack upon a grotesque tyranny in another continent which, however, had nothing to do with the 2001 atrocity, in a melodramatic assertion of political and military **national** dominance – albeit cloaked, like its predecessors, in the ectoplasm of 'universal' this-and-that.

### The chains of greatness

One interpretation might be as follows: nationality was always far more important than liberal and left-wing ideology

conceded, as indeed Professor Liah Greenfeld has argued in her **The Spirit of Capitalism** (2001, [www.hup.harvard.edu/catalog/GRESPI.html](http://www.hup.harvard.edu/catalog/GRESPI.html)). It mattered to progress on a deeper or structural level. And it was **never** essentially a concern of small or sidelined peoples.

At root, national-ism is big-headed because it has always been a great-nation phenomenon. The '-ism' itself arose in the French language, in the wake of the Franco-Prussian ([www.bartleby.com/65/fr/FrancoPr.html](http://www.bartleby.com/65/fr/FrancoPr.html)) and the American Civil War ([www.civilwar.com](http://www.civilwar.com)). It signaled a will to restore our newfound greatness, rather than to all-round ethnic rights or parity. It was really a prelude to, and a necessary condition of the successor '-ism' of empire – even though humanity's small battalions were then all forced to react with versions of the same creed (to the disgust of people like W.B.Yeats in Ireland).

During the inter-war era, would-be great nations like Italy, Germany and Japan, defeated or marginalised by the more successful, resorted to even more extreme forms of the same authoritarian creed ([www.bbc.co.uk/education/modern/nazi/nazihtm.htm](http://www.bbc.co.uk/education/modern/nazi/nazihtm.htm)). So indeed did the Russians, with their distinctive developmental variant of communism.

But when these were again defeated, it did not follow that the underlying impulse subsided with the passing of fascism and communism. With absolute certainty, we now know it did not. The Iraq war of 2003 was generally felt as having something inevitable about it – because it derived from profounder sources than the risks to US profit margins or petroleum problems.

The **Homo Imperiosus** we now confront is therefore a far more determined character than that **Homo Economicus** of whom far too much has been made in the fourteen years since the end of the cold war ([www.wikipedia.org/wiki/Homo\\_economicus](http://www.wikipedia.org/wiki/Homo_economicus)). Look at him on the rebound today, in those 'more successful' nations that had been the original leaders of the development race. These are the very early-modern liberal democracies the fascists and communists sought in vain to challenge and overtake.

But now the nations of Anglo-liberal success feel threatened in themselves. And they have reacted by pre-emptive war, as well as with the unmistakable rise of a climatic authoritarianism facilitated by the info-tech revolution (one of whose side effects is obsession with presentation or 'spin', culture as power-tool). Fascism in the old sense (uniformed, rural-based, blood-obsessed) is of course beyond the pale in industrialised countries, though it remains optional in parts of Asia and Africa. However, the 'authoritarian

personality' has recreated itself with a vengeance, and is enjoying a renaissance everywhere. These are not relapses into fascism; in the fuller retrospect of globalisation, fascism appears as a crude trial run for them.

### The claims of destiny

This new-old successor was pioneered in the former number one world power, Great Britain, first by Thatcherism ([www.wikipedia.org/wiki/Thatcherism](http://www.wikipedia.org/wiki/Thatcherism)) and now Blairism. Then it was carried forward by George W. Bush's 2000 Coup D'État ([www.media-criticism.com/Election\\_Coup\\_Detat\\_2001.html](http://www.media-criticism.com/Election_Coup_Detat_2001.html)), and echoed approvingly by John Howard's ([www.pm.gov.au](http://www.pm.gov.au)) war against asylum-seekers in Australia ([www.zip.com.au/~korman/asylum.html](http://www.zip.com.au/~korman/asylum.html)). In the United Kingdom, every trope of the present David Kelly affair ([politics.guardian.co.uk/kelly/0,13747,1002607,00.html](http://politics.guardian.co.uk/kelly/0,13747,1002607,00.html)) illustrates the farther emergence of such heedless, 'there-is-no-alternative' authoritarianism.

At global level, the shift is to be sanctioned by a plebiscitary presidential election in the US next year. These states naturally defend 'democracy', in the sense of their respective (and astonishingly decrepit) early-modern constitutions — while allowing the latter to moulder away **in practice** amid mounting popular abstention (except for the Australians, who have a more authoritarian solution: compulsory voting). In all three, nationalism remains decisively more important than democracy and constitutional reform.

Just what is this pitiable spawn of 'the West' afraid of? In Australia and Britain, it is national identity-loss — reduction to the ranks of ordinariness. In the US, another kind of disappearance is more acutely dreaded— internal multiculturalism, plus the utter economic dependence upon 'globalisation' entailed by the state's own post-1989 success.

This must be why the fate of the Romans has come to figure so prominently in that country's current paranoia.

Eventually, Rome dissolved into its own empire. But its contemporary successors are determined that Pax Americana ([www.csmonitor.com/2002/0923/p01s03-uspo.htm](http://www.csmonitor.com/2002/0923/p01s03-uspo.htm)), the world redeemed from communism, will remain **theirs**. To justify this manifest destiny, Weapons of Mass Destruction (moral as well as physical) will always be found in Evil hands: the mandate of globalisation thus conceived decrees that there can be but one Axis of Good.

### The Second Coming

Turning and turning in the widening gyre  
The falcon cannot hear the falconer;  
Things fall apart; the centre cannot hold;  
Mere anarchy is loosed upon the world,  
The blood-dimmed tide is loosed, and everywhere  
The ceremony of innocence is drowned;  
The best lack all convictions, while the worst  
Are full of passionate intensity.  
Surely some revelation is at hand;  
Surely the Second Coming is at hand.  
The Second Coming! Hardly are those words out  
When a vast image out of Spiritus Mundi  
Troubles my sight: somewhere in sands of the desert  
A shape with lion body and the head of a man,  
A gaze blank and pitiless as the sun,  
Is moving its slow thighs, while all about it  
Reel shadows of the indignant desert birds.  
The darkness drops again; but now I know  
That twenty centuries of stony sleep  
Were vexed to nightmare by a rocking cradle,  
And what rough beast, its hour come round at last,  
Slouches towards Bethlehem to be born?

W.B. Yeats

([www.kirjasto.sci.fi/wbyeats.htm](http://www.kirjasto.sci.fi/wbyeats.htm)), from **Michael Robartes and the Dancer** (1921)

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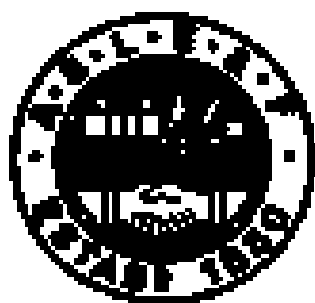
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