

Scottish Left Review

Issue 99 May/June 2017 - £2.00

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Extended editorial: action stations for 8 June

It was long rumoured to be a possibility despite the continuous stream of denials. Yet when the announcement came on the morning of Tuesday 18 April, it was still something of a shock – especially when the date was to be so soon as 8 June. Correctly most have seen May’s calling of a snap election as a ‘power grab’ with the opposition clearly in her gun sights – even though there is some truth in her assertion that she wants a stronger hand in parliament to deal with Brexit (or stopping parliamentary proper scrutiny of the Brexit negotiations and outcome). Sensing opposition weakness, she has decided to go in for the kill, firing the equivalent of volley from heavy field guns against Corbyn and Labour in particular.

That morning dealt another blow to the flagging fortunes of local democracy, further subsuming what are important

issues into an arena of decreasing public interest. So the local elections of 4 May will struggle to command the required interest and scrutiny, being overshadowed by the general election. No doubt, though, the SNP and Tories will then claim that the expected and projected weakening of Labour (especially in Scotland) further strengthens the case of why voters should not cast their ballot papers for Labour on 8 June.

So what are the prospects for Corbyn and Labour? Compared to Miliband and the party in early 2015, Labour now has a raft of genuinely progressive policies that would make a significant and positive material difference to the lives and living standards of many millions of citizens. A quick glance at Labour’s twenty point plan to transform the workplaces makes that clear: equal

rights from day one of employment; end zero hours contracts; end wage undercutting using overseas workers, repeal the Trade Union Act, roll out sectoral collective bargaining; raise the minimum wage to the level of the living wage; end the public sector pay cap, introduce a maximum pay ratio in the public sector and public sector contracts; abolish employment tribunal fees; and hold a public inquiry into blacklisting amongst other pledges.

Those citizens to benefit are not the wealthy nor are they the members of the middle classes. One cannot accuse Labour of having insufficiently radical, left wing policies to attract voters as could persuasively be said of its policies for the 2015 general election. The other advantages Labour has compared to 2015 are its sound financial position and enhanced activist base. Financially,

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Issue 99 May/June 2017

Contents

Extended editorial: action stations for 8 June	3
Energy consultations and election concerns Gordon Morgan	5
No economic case for fracking in Scotland Penny Cole	7
Progressive revolution in the energy sector? Michael O’Brien	8
Re-municipalisation, social justice and the post-carbon transition Andy Cumbers.....	9
Why climate change might make you lose your pension Mathieu Munsch	10
Will the tectonic plates of Scottish politics shift again? Pat Kelly	11
Not a terrible troika:	
General Election, Brexit and Scottish independence Bob Fotheringham	13
Economic fake news on the Scottish economy Andy Anderson	14
Realising the economic potential of the 99% Mike Danson	16
Financial masters of the universe versus sovereign governments Joshua Banerjee	18
‘I, Daniel Blake’ shows care in the community Keith Stoddard	20
Automation: friend or foe? Sarah Collins	21
Solidarity with the Kurds Stephen Smellie	23
Criticising Israel and fighting antisemitism Henry Maitles	24
Gramsci and Scotland revisited Ray Burnett	25
Let’s make no mistake on Trump Paul Magrati.....	27
Book reviews – Sean Sheehan, Colin Darroch, Robin Jones	22, 29 & 30
Kick up the Tabloids – Vladimir McTavish.....	31

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and not merely in terms of its donations from union affiliates but also from its enhanced size of individual membership, Labour is more than capable of fighting the Tories. And, now being the biggest social democratic party in western Europe, it has around 500,000 individual members – much higher than the peak of Blairism – and these provide a base of activists to carry out the necessary door knocking, leafleting, social media work and making phonecalls.

Yet while these improvements are necessary for Labour win on 8 June, there are not sufficient. The other essential components are i) being able to translate these various policies into an attractive and easily digestible shorthand – recall Labour’s 1997 ‘five pledges’ on the back of a business card; ii) the policies being part of a widely known worldview – often called nowadays a ‘narrative’ (i.e., ‘story’); and iii) the personal credibility of the party leader to espouse these policies and worldview in a convincing manner.

It’s possible that the first two could be achieved in the run up to polling day as there are numerous ways to achieve them. However, achieving them is still heavily dependent upon the third component and here there are huge problems. Jeremy Corbyn is a genuinely decent and honest man. But that does not take us very far – or far enough – when party politics is ever more concentrated upon the figures of party leaders. He has no killer instinct at the dispatch box; he seems to have dropped his practice of the ‘new way’ of doing politics (despite say he won’t play by the establishment’s rules) to the extent that he now increasingly comes across like most other politicians as frequently being evasive; and he lacks sufficient charisma and passion to win minds by winning hearts first. He is often stilted and pedestrian in his presentation. It’s not that you don’t think he doesn’t believe what he is saying – more that he lacks enough oomph to prosecute with and do so with flair and élan.

Labour supporters may protest that neither May nor Sturgeon as individuals are particularly inspiring either (with some casting May as the austere and patronising old school headmistress and Sturgeon as a combination of a nippy sweetie and wee Janet Krankie). They may also protest that Corbyn is given such a hard time by the media that he has become somewhat punch drunk

or that it is a miracle that he is still standing. And rightly, they would add that Corbyn is not just having to fight the media but also the Blairites and saboteurs within his own party. Fighting on two fronts – or at least two fronts – saps the ability to take on the main enemy. All this is very true but it is also very immaterial. This is because Corbyn needs right now to be at least ten times better than May and Sturgeon because Labour is so far behind, and because the Blairites will not lie down. Special pleading will not change the result or give us any succor on the morning of 9 June.

Recalling the likes of Tommy Sheridan, George Galloway and Jim Sillars to Neil Kinnock and Tony Blair in their insurgent heydays, Corbyn needs to deploy the skills of a street fighter, on the one hand, and those of the messiah on the other hand. Spending thirty-odd years on the backbenches, working on your own or in small groups and the like does not readily generate the kind of personality and personal traits of the street fighter or the messiah that are needed right now.

To return the military metaphor, if you as a leader are facing an army that is twice or more the size of your own army and is better equipped with more secure supply lines, you need to be able to work out where, when and how you can generate tactical and strategic advantage. Thinking of Operation Barbarossa in the Second World War, the Nazi advance was eventually stopped and repelled by tactics that were based upon using pincer movements to encircle and isolate enemy troops, disrupt and cut off supply lines, harry and harass etcetera – all of which reduced the physical and psychological ability of the Nazis to take Moscow in the north and Stalingrad in the south. But as was obviously evident in this mother of all battles, this took a considerable amount of time and sacrifice on the part of the Red Army before the tide was turned and the march on Berlin begun. Time is neither on Corbyn’s nor Labour’s side to do this by or before 8 June. Coming out as the anti-establishment candidate that supports the underdog, and who can genuflect on his way of leadership looks like being too little and way to late. If victory is then not possible, keeping the Tory majority as small as possible is then maybe the best possible prize. Here,

we may find the idea of the progressive alliance between Labour, SNP and Greens comes into play.

Turning to the Tories, May’s snap election not only seeks to benefit from Labour’s disarray but also that of UKIP. Not only has much of the wind been taken out of its sails by the Brexit victory and May’s intention to negotiate a hard Brexit, but their leadership continues to be unstable, shambolic and in disarray. The Liberals should be able to undergo a modest revival in Scotland and England. For the SNP, retaining 56 out of the 59 seats is highly unlikely. 2015 represented the coming together of a particular constellation of stars which is no longer visible in the proverbial night sky. It will be the scale of the retreat that is critical, because the ability of other parties to call time on ‘peak SNP’ will depend upon it. For the SNP itself, not sliding too far back is especially important because it does not appear to have been the case that Brexit and a hard Brexit has done the cause of independence any great favours (judging by recent polls). The SNP’s defence of access to the single European market and free movement of labour is not quite a rousing rallying call for the masses. This suggests a political miscalculation by Sturgeon and the SNP. For them, it was with Scotland voting to remain – whilst elsewhere did not – that constituted a significant material change to allow the calling of indyref2 to come into play. The prospect of an enhanced Tory government in Westminster is maybe the ‘get out of jail’ card that the SNP has been searching for. Under it, and with the situation of Labour, the cry of ‘only the SNP and independence can save Scotland’ will gain more traction, sustaining the nationalist case until a possible post-Brexit independence referendum comes to fruition in the late 2010s/early 2020s. But, of course, Labour will be further blamed for being incapable of providing the official opposition in Westminster.

‘Saving Scotland’ from nasty Westminster will further be used to divert attention away from the SNP’s record in government in Holyrood, especially after ten years in office and with very little to show for in the way of progressive outcomes like wealth redistribution and reducing class inequalities. But just as importantly, being so vehemently against something – using ‘a big boy did it and ran way’ type argument – will detract from the

weakness of the SNP's case of what it is for. In other words, the SNP's poverty of ambition and radicalism as a party proclaiming to be social democratic in name but not in deed will be camouflaged. There is no place for class in the SNP narrative; no recognition of the internal social divisions within Scotland; nor of the 'haves' and 'have nots' as a set of conflicting groups that exist in a pretty much zero-sum game situation. The implicit message from the SNP is that 'we are all in it together' and 'we are in it to win it (i.e. its tame version of independence)'.

Another danger posed by the general election being a Brexit dominated-general election is that the focus on Brexit will be vastly reinforced, thereby taking away attention and resources from the fight against austerity and neo-liberalism. This is in spite of the sought after hard Brexit giving the Tories the license to further implement austerity and neo-liberalism. One such example is the privatization of the Green Investment Bank by the Tories just

before the election was called.

As readers may have detected already, the vast majority of the content of this edition of *Scottish Left Review* was commissioned and written before the general election was called. Hence as result of such logistical difficulties, we have had to keep to our decision to have the theme of this edition on energy and climate change. The prospects for green energy investment do not look good under another Tory government despite Britain recently achieving a first ever full day of non-fossil fuel generation and May's wavering over Hinckley C. The next edition will provide full analysis of the implications and ramification of the outcome of 8 June (as well as 4 May) and whether we need an 'emergency-cum-disaster strategy' for 9 June onwards. Of course, the hope is that May will end in June but a sober dose of realism currently suggests otherwise.

Readers will also notice we have a clutch of articles on Brexit and independence (and this time their links with the general election). This is something we

intend to continue to have over the next year or so in order that we can further understand what seem like, at first sight, to be quite differing phenomena. Finally, we continue our analysis of Trumpism with an article and book review, the former using the ideas of Antonio Gramsci which Ray Burnett explores in an article on Gramsci's influence on Scotland.

- The results of the local elections came out just before we went to press. They make for dire reading for the left, with a Tory revival in both Scotland and south of the border. Labour bombed and the SNP stayed level. UKIP collapsed with the Greens only making small advances. With a usually low turnout, 4 May does not make for a perfect prediction for 8 June because the turnout will be much higher and the focus of issues different. But the omens are not good, and will now make Labour's job even harder. Corbyn is right – Labour does, indeed, face a 'challenge on an historic scale' to win the general election.

Energy consultations & election concerns

Gordon Morgan surveys the possibilities in the current energy consultations

This election is the first since the Paris Agreement on Climate Change became law in November 2016. Under this the Britain has, along with the rest of the EU, committed to reduce Carbon emissions from 1990 levels by 20% by 2020, 40% by 2030 and 80% by 2050. Yet since 2015, the Tory government has effectively destabilised the renewable energy sector by cutting solar subsidies, banning onshore wind farms in England, cancelling the £1bn demonstration carbon capture and storage (CCS) facility at Peterhead and forging ahead with the uneconomical Hinkley Point C nuclear station. This has cost over 12,000 jobs across the UK including in Scotland.

Energy policy is reserved to Westminster. However, Scotland has substantially devolved powers over innovation, rural and industrial planning and to come the Crown Estates. The Scottish Government is planning to publish a Climate Change Act later this year and as a result has launched a series of public consultations on Energy Policy all of which close on 30 May 2017.

The most controversial of these is

'Talking Fracking', a Consultation on Unconventional Coal and Gas (UCG). If approved for extraction, much of central Scotland north of Glasgow to Stirling and east to Cowdenbeath, Falkirk and Cumbernauld could be subject to exploratory drilling and, if suitable, extraction of gas through underground explosions. INEOS claims jobs would be created and the environmental impact would be beneficial by reducing imports. Environmentalists and residents fear water contamination with associated health risks, earthquakes and a loss of jobs in consequence from damaging Scotland's farming and whisky purity credentials. The Government seems inclined to give 'fracking a chance' based on 1,400 potential jobs and a 0.1% GDP growth, not considering negative effects. A popular revolt could stop it proceeding. This consultation could stop fracking in Scotland for good.

The Onshore Wind Policy consultation points out the benefits of onshore wind to decarbonisation and predicts lowering costs below gas by 2020 and below nuclear to 2030. Future deployment is in jeopardy due to British

government changes to the support framework both on the mainland and Scottish islands. The consultation relates to how the efficiency of wind sites and lower costs might be taken into account in the planning process, reforming the grid access charges, extending asset life and storage deployment.

The Scottish Energy Efficiency Programme (SEEP) consultation focuses on how the energy efficiency of homes businesses and public buildings can be improved, their heat decarbonised and benefit fuel poverty at the same time. The proposals include regulation of private rented housing to improve efficiency, changes to heating and a new Fuel Poverty Strategy consultation. This consultation seeks views on what works well from existing schemes, what are suitable milestones for energy efficiency, how building standards should be altered, how the £10bn programme over 20 years can be funded and how to engage citizens with the programme and ensure communities benefit from jobs created. The proposed shift in the Fuel Poverty Strategy has been criticised as over simplistic as it relies

on aggregate not individual data, hence underestimates the effect of poverty. This is evidenced by the results of the Speird Project, which argues Fuel Poverty should be treated as a welfare issue rather than an energy issue. Indeed, energy use could rise were Fuel Poverty tackled.

The main consultation is the Scottish Energy Strategy consultation which is based on the Draft Climate Change Plan, draws upon the above consultations and aims to meet the 2050 target of a 80% reduction in carbon emissions. It proposes a new 2030 target for 50% of Scotland's heat, transport and electricity consumption to be supplied from renewable resources alongside the energy savings from the SEEP initiative. This target derives from the Draft Climate Plan, modelled using the TIMES climate economic model, makes ambitious predictions - which rely upon sensible policies from Westminster which may not be forthcoming. It would be good to see - as has been promised - the model opened up to academic and public input and to model changes to the regulatory framework from devolution of energy policy to the possibilities of Scottish Independence.

The ambition of the Scottish Government should be welcomed even if some aspects of the modelling such as transport targets appear much lower than Britain's as pointed out by the Committee on Climate Change. Without public scrutiny of the assumptions, their realisation is questionable.

The consultation asks 17 questions relating to energy supply including the: priorities; targets; role of hydrogen; transforming energy use; smart grids; local energy systems; a government-owned energy company; Scottish Renewable Energy Bonds; public and private sector roles in achieving the vision.



Fundamental to delivering the vision is transforming the grid, and initiatives in Orkney are seen as testbeds for a more decentralised grid. However, the mainland grid is privately owned and there is a reluctance to fund grid connections at an economic cost to consumers. Indeed the main energy companies in Britain have consistently underinvested for decades since privatisation. This makes energy prices too low to enable the transformation required. It also makes a mockery of the Tories' election pledge for a cap on electricity prices to save £100 per household - a direct steal of Labour's 2015 promise which the Tories then described as evidence Labour wanted to live in a 'Marxist universe'.

As the Jimmy Reid Foundation and *Scottish Left Review* have previously argued, electricity supply is not suitable for a market solution and the grid should be taken into public hands at zero cost. This however, is not in the Energy Strategy, too much of which relies on increasing grid connections and interconnectors to secure supply to and from England all of which at significant cost and loss of power.

For once, however, the role of energy storage is being taken up and hydrogen from hydrolysis is seen as key to the future of home heating at minimum adaptation cost. Producing hydrogen and oxygen by hydrolysis at times of excess wind power is more efficient than paying to shut down wind farms and hydrogen can be pumped straight into the gas grid as is done in Germany, thus, reducing imported gas. This should be trialled now. Hydrogen can be stored for use in gas plants, perhaps using redundant coal or nuclear sites to provide power at times of low wind. Hydrogen vehicles and buses can be used throughout councils across Scotland rather than just in Aberdeen and Fife.

The proposal for a publicly-owned Scottish Energy Company to fund independent local energy nodes and district heating should also be welcomed as a challenge to the existing regime. This company would be funded by Scottish Energy Bonds paid into an energy fund. This is practical even without devolution of energy policy or independence. The proposal to ensure at least half of new energy projects have an element of shared ownership involving communities or the public by 2020 is also welcome. The paper also highlights the role of the 'circular economy' in reducing waste.

Overall the Scottish Energy Strategy paper is a welcome advance towards a decentralised community controlled energy policy. It appears to be supported by all parties in Scotland including the Tories. However, this is unlikely to feature in the election campaign. Labour at the British level recognises the energy market is broken and requires £500bn investment through a national investment bank to manage the transition to a low energy economy and lower energy costs to the low paid. There have been fears expressed that as part of Brexit, May's Tories will see breaching their climate obligations as 'fair game', their sale of the Green Investment Bank being one indicator.

All readers of *Scottish Left Review* and supporters of the Jimmy Reid Foundation are encouraged to respond to these important consultations despite the current election campaign. You have till the 30 May.

Gordon Morgan is independent researcher and campaigner as well as a longstanding member of the Scottish Left Review editorial committee

- The last major consideration of green energy issues in *Scottish Left Review* was September-October 2015 (<http://www.scottishleftreview.org/issue/issue-88-2/>) and similarly by the Jimmy Reid Foundation was 'The Future of Energy Storage Industry in Scotland in early 2014' (<http://reidfoundation.org/portfolio/the-future-of-the-energy-storage-industry-in-scotland/>) and 'Charging for utilities and energy infrastructure' in late 2013 (<http://reidfoundation.org/portfolio/charging-for-utilities-and-energy-infrastructure/>)

No economic case for fracking in Scotland

Penny Cole says the maths only adds up for INEOS

The Scottish Government is consulting the public before it decides whether to permit or ban Unconventional Gas Extraction (including Fracking). But what is most incredible is that it is even being considered. Its own review of the impact of the industry confirmed that it is virtually worthless to the Scottish economy as a whole. Other impact studies on health, decommissioning, regulation, transport, and climate gave an equivocal picture (which campaigners challenge). But KPMG's 2016 economic report showed any benefits from this dirty business are so marginal as to be worthless. Here's the key quote: 'According to our estimates, the industry could represent an average of 0.1% of Scottish GDP (2015 figure) in our Central scenario and 0.3% in our High scenario which is not a large contribution to the Scottish economy'.

KPMG looked at High, Central and Low production scenarios. You'll find Tory MSPs always use the High, so they often quote £4.6bn Gross Value Added (GVA) to the Scottish economy, but they never point out that this is over 42 years. So it actually represents about £110m pa. In the more likely Central scenario (which they never quote), the figure is £1.2bn GVA, about £30m a year.

The other myth is that fracking will create thousands of jobs. But the figure for the Central scenario is 1,400 FTE jobs over the whole 42-year life of the industry. And if it is simply one or two drilling teams going from location to location, the total will be even lower. Also, most of these jobs would be for specialists from outside the communities that could be fracked. Compare these broad projections to the actual economic impact of low carbon industries, which had an annual turnover of £10.7bn and supported 43,500 jobs (2014, most recent available).

Conservative MSPs are also giving a very partial picture of the climate impacts of UGE. Annie Wells told a Glasgow constituent: 'Scotland will import 40,000 barrels of shale gas every day to Grangemouth for the next 15 years in the form of Liquefied Natural Gas (LNG), which is more carbon intensive

than locally produced shale gas. The report published by the Committee on Climate Change (CCC) confirmed that 'well-regulated domestic production could have an emission footprint slightly smaller than that of imported liquefied natural gas (LNG)'.

Unpicking this is complicated but crucial, because far from saying that fracking is fine, the Committee on Climate Change's climate impact study said it could prevent Scotland meeting its climate targets unless three tests are met. First, the gas produced must displace other imports. But that won't happen, because INEOS will continue importing gas from the USA and companies producing gas offshore will not cut production to enable fracking. Second, the emissions produced must be offset by reductions elsewhere. The largest forecast the CCC looked at is that UGE would produce 1.6m tons of CO2 equivalent per year by 2035. Other industries and activities – agriculture, public authorities and households – would need to make cuts to offset this. Why should they do that? How could they do that? And, third, the emissions produced by the industry must be monitored, well by well, with a regime in place for instant shut down if emissions targets are exceeded.

A study by from Andrew Watterson of Stirling University looked at all the UK monitoring arrangements, including Scotland, and confirmed that nowhere is there a structure for monitoring with such intensity and consistency.

The KPMG report confirms that fracking in Scotland (in the Central scenario) would supply enough domestic gas for just 5.5 years over the 42 years of the industry. Many believe even this estimate is too high because of the geology of the shale in Scotland.

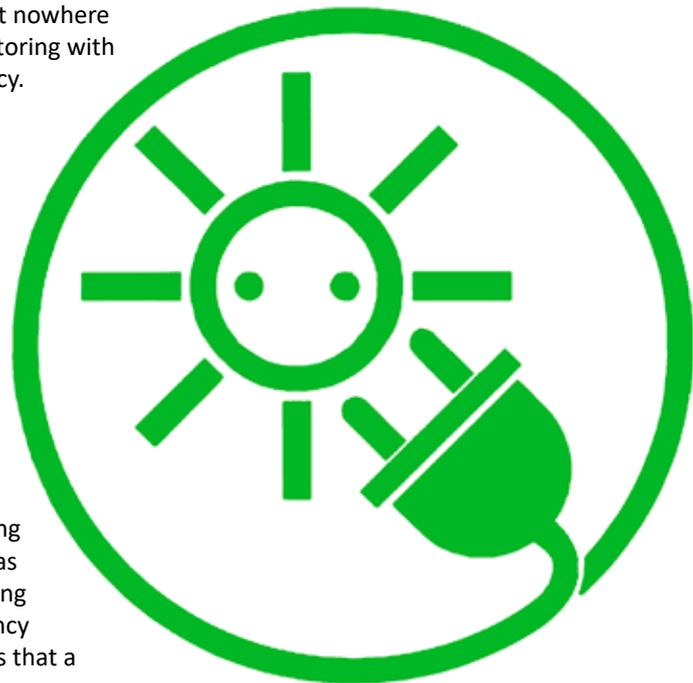
In the United States, home of the only developed fracking industry (though Australia has one as well), things are looking very shaky. Global accountancy firm, Deloitte, warned clients that a

third of global oil and gas exploration and production companies—with a combined debt of over \$150bn—are at high risk of default or bankruptcy or default.

For us here in Scotland, the only potential benefit KPMG identified from UGE was to Scotland's petrochemical industry, i.e. business and profits for INEOS. And that is, in my view, why the SNP government has been prepared to even consider it. At a time when there's little growth in any area of the economy, petrochemicals are showing positives. That increases the pressure that INEOS can put on the government. And its growing monopoly of oil importation and refining gives Jim Ratcliffe's company a clout disproportionate to its overall contribution to revenue and jobs.

That makes it all the more crucial that people take up the opportunity to give their views in the public consultation. There is still time to respond before the 31 May deadline. More details can be found at www.broad-alliance.org.uk/consultation and www.stopfracking.scot

Penny Cole is active in Frackwatch Glasgow, represents it on the Broad Alliance of communities against UGE and is co-author of Fracking Capitalism: Action plans for the eco-social crisis (Lupus Books, 2013).



Progressive revolution in the energy sector?

Michael O'Brien says we can act locally in order to act globally

When Nottingham City Council obtained a licence to supply energy, it did not make headline news. In fact, you could be forgiven for not being aware of it at all. But this development has the potential to revolutionise a sector which has become synonymous with the profit-driven practices of the 'Big Six' suppliers, rather than for tackling fuel poverty and climate change. With inspiration to be found across Europe, could there be progressive opportunities in Scotland?

A trend of re-municipalisation has been underway in Europe for the best part of a decade. In Paris, water services were returned to municipal control in 2008 after widespread public dissatisfaction with *Veolia* and *Suez*, two of France's corporate powerhouses. In Hamburg, campaigns by environmental and community groups brought about a referendum in 2013, which resulted in energy grids being bought back from private control. In the UK, there are some early signs that local authority intervention could have a similar impact.

Nottingham City Council launched *Robin Hood Energy* in September 2015 as a not-for-profit supplier of gas and electricity in the British domestic energy market. By offering competitive tariffs free from the burden of profit margins, it has quickly built a significant customer base, proving particularly popular amongst low-income households. Following *Robin Hood Energy's* entry

into the market, the average household energy costs in the East Midlands have reduced by £87pa, as more established rivals cut their prices to try and compete.

Perhaps even more impressively, these achievements have happened whilst embracing green principles. *Robin Hood Energy* sources part of its energy from local renewable sources and they continually strive to find innovative new methods. Their success has led Leeds City Council to follow suit through the launch of *White Rose Energy*, which operates from Nottingham's licence through what is known as a white label. *White Rose Energy* has also stated that social motives and climate concerns lie at the heart of its ethos.

A scheme adopting a slightly different approach is already underway in Scotland. *Our Power* is a collective of 35 organisations, consisting mainly of housing associations, but also with the backing of Stirling and Fife Councils. A living wage employer with ambitions to develop its own renewable energy products, *Our Power* is aiming to bring savings of £11m to Scotland's most disadvantaged communities over the next five years. With ambitions to supply 200,000 households by 2020, *Our Power* has the potential to enter the public consciousness by offering consumers north of the border a genuine alternative.

You may ask: what's in it for the local

authority? The Scottish Government's own statistics show that 30.7% of households are currently in fuel poverty - a statistic so shocking that it is almost impossible to comprehend in modern society. An epidemic on this scale is increasingly unlikely to be solved by maintaining the *status quo*, so it can be argued that local authorities have been left with little choice but to take matters into their own hands. In terms of climate change, regional campaigns to place green issues at the heart of energy policy have been too often dismissed. Any opportunity to redress this balance is likely to be welcomed with open arms.

The renationalisation of utilities remains an ideological goal for many on the progressive left, and it should remain so. However, radical alternatives are already underway that can only benefit from greater exposure and critical thinking. As with so many progressive movements of the past, innovators in Scotland will be keen to play a leading role, particularly amidst the backdrop of ongoing constitutional debates. Greater local authority involvement in *Our Power* could be the way forward, or perhaps a Council will decide to go it alone. Whatever happens, the success of the Nottingham model is certainly food for thought.

Michael O'Brien is employed in the third-sector in an energy role. He is an activist in the Not for Profit branch of Unite Glasgow.



Remunicipalisation, social justice and the post-carbon transition

Andy Cumbers says examples in Germany show the way forward

The urban is the new zeitgeist in the battle to tackle climate change and produce a post-carbon transition.

There are a growing number of initiatives, networks and concepts that attempt to represent the phenomenon: 'compact' and 'smart' are just two of the many terms that have joined 'green' and 'sustainable' in the urban environmental lexicon. While much of the rhetoric around green cities is, so far, rather short on delivery, it is certainly the case that in a rapidly urbanising world, city-based strategies will be critical to a successful post-carbon transition.

Additionally, given the blockages and vested interests at national government level - where green agendas often struggle to puncture dominant pro-corporate and pro-growth narratives - many local actors (not least in the two current climate change foot-dragging state regimes of America and Britain) are instituting their own policies and targets. Munich, for example, is investing €9bn to achieve its goal of producing all its energy from its own renewable energy production by 2025, and is investing in plant both locally and in other countries. This includes a 30% shareholding in an Irish Sea offshore wind project.

For those on the left, if environmental policies are going to incorporate social justice agendas, it is critical that such urban initiatives are democratic as well as being 'by' and 'for' an engaged public rather than the traditional technocratic and managerialist exercises.

As I have argued in the *Scottish Left Review* (see September-October 2015 edition) and elsewhere, a more decentralised approach to public ownership is critical here. In the energy sector, the creation of new forms of municipal ownership in many cities across Europe and America is a welcome development in this respect. In Britain, cities as diverse as Aberdeen, Nottingham and Bristol have established their own electricity supply companies while Sadiq Khan has committed to setting up a London public

energy company, following a successful campaign by pressure group, Switched On. The more radical initiatives are linking renewable energy production to integrated city strategies that are also tackling fuel poverty.

In Germany, Hamburg has been an inspirational example. The city established its own public energy company in 2009 and now has 130,000 customers; enough to produce a profit, which is now being reinvested back into producing its own renewable energy from solar and wind power. But, Hamburg shows the political tensions and problems of transition. There, local social democratic politicians and energy sector unions, wedded to coal and nuclear power, with close links to Swedish corporation, Vattenfall, have been a powerful coalition against a more progressive approach to energy transition. Despite a successful 2014 referendum, fought by a citizens' campaign to take the privatised electricity grid and heating system back into public ownership, the ruling social democrats have so far blocked moves for a fully integrating municipal company capable of making a more decisive step-change towards transition.

Equally significant to the big city trend in Germany has been remunicipalisation campaigns in smaller towns and cities. Many rural towns in otherwise conservative regions such as Bavaria and Baden Wurttemberg have seen impressive grassroots campaigns led by local residents that push local governments into taking action. An oft-quoted example is the town of Wolfhagen (population approximately 14,000) in the state of Hessen, which has won a federal government award as an 'energy efficient town'. The local town council bought back the grid from EON Mitte in 2006 following a six-year campaign against privatisation. Like many other parts of Germany, Wolfhagen still retained a small energy producing public company, which

gave it the technical expertise both to strike a tough bargain with EON but also to devise a new strategy to promote renewables with the goal of bring self-sufficient in renewables by the end of 2015 (achieved), realised through the construction of 5 wind turbines and a 42,000 panel solar park.

Wolfhagen shows how a new hybrid approach to public ownership can combine citizen involvement with state support - the municipal company that was created involved the setting up of a community cooperative that gives local residents a 25% stake, sharing revenue but also fostering greater civic engagement. This kind of public-public partnership is becoming common in many other cities, from Copenhagen to Buenos Aires, and points the way towards a more democratic model that could be emulated in Scotland's own transition pathway.

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Why climate change might make you lose your pension

Mathieu Munsch explains how the stability of our pension funds is tied to global climate

Manifestations of the ongoing ecological crisis are becoming increasingly visible in all aspects of our lives—from extreme weather events to climate-induced migrations and the toxic politics accompanying them. But the dread of witnessing the collapse of everything we hold dear is nothing compared to the frustration that comes with realising its sheer absurdity. Indeed, the absence of progress on climate change is hardly an unavoidable fact, but a failure of those in charge of our public institutions to exercise their mandate in the interest of the public good seems not to be.

Nowhere is this more apparent than in our public pension funds—institutions whose very motive of existence is to provide a safeguard for our future. Indeed, as we think wise of preparing for our days of old age by paying into a pension, asset managers in charge of the said funds continue to use our money to invest in fossil fuels. As revealed by a recent report by Reinvest Scotland, Scottish local government pension schemes currently hold £1.683bn worth of assets in companies whose core business is in the extraction of oil, coal and gas.

Aside from the dubious morality of keeping ties with an industry whose product is the primary driver of climate change, the reason why our pension funds need to reconsider their investment decisions is, above all, deeply pragmatic. The Intergovernmental Panel on Climate Change, the body of reference on climate science, informs us that to maintain even a half decent chance at holding the rise of temperature below 2°C - a level of warming which already implies significant harm on the earth and its inhabitants, but which is believed to constitute the upper threshold at which a runaway greenhouse effect that would send our planet the way of Venus might still be avoided – 80% of known carbon reserves will have to be left untouched. With the value of fossil fuel companies being directly indexed on the amount of oil, coal and gas that they are able to exploit, it is not so difficult

to see why high returns on fossil fuel investments are in direct conflict with the imperative of sustaining a liveable climate.

To this logic, opponents of fossil fuel divestment usually retort: Yes, we all know we need to change our economy at some point. But the transition needs time, and as of today, fossil fuels are still a profitable investment, so why give up on a reliable source of cash when society clearly isn't ready to change so fast?' This line of reasoning, however, denotes a pervasive lack of understanding of the unforgiving climate timelines that are ahead of us. Indeed, the important thing to realise is that climate change is not—as it is often wrongly thought of—a problem for the distant future.



Quite the opposite—and you can do the maths yourself: at our current pace of emissions of 50 Gigatonnes (Gt) of CO₂ a year, the 800Gt budget associated with the dangerous 2°C threshold mentioned above would be reached in just 15 years. Change will happen fast, whether it is planned, or endured.

If the investment decisions of our pensions continue to ignore the physical dynamics of the earth, we can imagine two scenarios: i) fossil fuels continue to be profitable in the coming decade, which means that we will not have acted in time to prevent runaway global warming—at which point worrying about retirement will seem very futile; and ii) the longed-for political will

finally catches up, and tackling climate change is given precedence over mere economic growth. Since this implies setting hard limits on the exploitation of hydrocarbons, the ability of our pension funds to fulfil their duties to their members would seriously be questioned given the financial ties they maintain with the fossil fuel sector.

As you may have noted, whether our climate affair ends in ecosystem collapse or in mere economic crisis, it does not bode well for those who aspire to retirement. Yet, none of these gloomy prophecies are written in stone. It must be made clear that maintaining shares in an industry on the wrong side of history is a political choice, not a rule. Investment decisions of our local government pension schemes are in the hands of our elected councillors—most of whom have yet to be made aware of the power of decision that they hold.

What if, instead of choosing the lazy and intellectually-fraught option of entrusting the £1.683bn to a poisonous industry on the only pretext that it was profitable in the past, we made the active choice to channel it into our local economy? Scotland surely needs more jobs, decent housing and alternative sources of energy, so why not using our pension funds to invest in such projects instead?

Not only are the returns in these sectors already on par with the fossil fuel industry, the comparative benefits that they would bring makes it truly absurd not to do so! That the decisions of our public institutions are informed by a blinkered culture of finance is not a foregone conclusion. The future of our pensions depends on whether we can pressure our councillors to act according to common sense and in the public interest.

Mathieu Munsch is a PhD student of climate change politics and a volunteer campaigner for Fossil Free Strathclyde.

Will the tectonic plates of Scottish politics shift again?

Pat Kelly outlines the primary contours and questions existing assumptions

The official reason for Theresa May calling a general election on 8 June has been treated with contempt by most observers. There were few divisions at Westminster that risked hampering the Brexit negotiations, and it appears her objective is to free her Government from any scrutiny during the process. Some are convinced that it has been called now because about twenty Tory MPs are due to be prosecuted for fraud over their election expenses and believe May wanted to secure a heftier majority to guard against her current working majority of 17 seats being chipped away by by-election defeats. Speaking at the STUC conference in Aviemore, Nicola Sturgeon had no doubt that the election was called 'to strengthen the grip of the Tory party and crush dissent and opposition ... and to do so before possible criminal prosecutions for alleged expenses fraud at the last election catches up with her'.

Of course, a Tory lead of over 20% in the opinion polls helped make up Theresa May's mind. If maintained until election day, it would mean a landslide victory for the Tories, which poses the question of why the Labour Party agreed to go along with the proposal in the first place. The new Fixed Term Parliaments Act required a two thirds majority of all 650 MPs to agree to the election date. To prevent Theresa May going ahead with her grand plan, all Labour had to do was join the SNP in abstaining on the vote and the required majority would not have been achieved. Jeremy Corbyn could have argued that there would be no election until the Crown Prosecution Service deals with the Tory election expenses fraud. When the history of this election is written, Labour's compliance with May's election date could prove to be the most difficult decision of all to explain.

The reason may be that Corbyn preferred to fight an external campaign against the Tories now rather than face another three years of internecine warfare before an election. And his enemies amongst the Labour MPs may feel if Labour's loss is as bad as the opinion polls suggest, this is their

chance to get rid of him, after botching up their last attempt. Unless Labour wins the election, the divisions are set to continue with the right blaming Corbyn and his left-wing policies for any defeat. They will demand his resignation and his replacement with a right wing leader who will take Labour back to the failed policies of the past. Corbyn's supporters, not without justification, will place the blame for any defeat at the hands of those Labour MPs who have worked to undermine their elected leader at every turn, even when it was clear that it was accelerating the collapse of Labour's support. The battle will continue until the conference in September and will focus on the 'McDonnell amendment' to reduce the threshold needed to nominate a candidate for leadership from 15% of MPs to 5%. Currently, a left candidate could not expect to receive enough support to be on the ballot paper. The arithmetic could, of course, change depending on the election result (especially if more Blairites lose their seats), but if passed the McDonnell amendment would ensure a left candidate would not be kept off the ballot paper if Corbyn decides to go.

The support for the Tories has spilled over to Scotland, where, as we go to print, the once 'toxic' brand is polling around 30%. This up from 22% which they won in the first past the post seats at the Scottish Parliament election, and the difference is mostly accounted for by former Labour and Lib Dem voters shifting their support. Over the past year, Ruth Davidson has talked more about Scottish independence than Nicola Sturgeon or any nationalist. Even before the general election announcement, Tory leaflets and posters for the local council elections were about opposition to an independence referendum with next to nothing mentioned about local issues. This theme will continue during general election campaigning and nobody defends the Union more belligerently than the Tories. The combination of non-Tory voters supporting her to fend off a referendum, together with the encouragement of tactical voting, puts

a number of SNP-held constituencies within their grasp.

At the last general election the SNP won 50% of the vote giving them 56 out of 59 MPs. It is unlikely that the SNP will outperform that result, and hence Davidson's talk about 'peak Nat'. If the SNP lose a few seats from this high water mark then it proves little. However, Davidson will argue that the Scottish public is turning away from the SNP and the Prime Minister will use it to delay an independence referendum, the aim being to kick it in to the long grass until after the next Scottish Parliament election in 2021.

Can the Tory tide be turned before the election? By the time this edition goes to print you will be in a better position to make a judgement. After the first week of campaigning the opinion polls are looking a bit better, although the Tories are still well ahead, mainly due to a collapse in the UKIP vote. In England and Wales, the Tories will want to keep the narrative focused as much as they can on Brexit and Jeremy Corbyn. This will also suit the Liberals whose policy of another referendum after the negotiations will attract the support of many who voted to remain.

Brexit has moved Britain significantly to the right and Labour is caught between a rock and a hard place. But its equivocation on the issue has to end and it must give its vision for a post-EU settlement, emphasising the difference between Labour's position and the Conservative version. Similarly, the SNP has a problem with the issue, with a third of Independence supporters voting for Brexit. But the Tories cannot spend the whole election campaign on Brexit. Nor can they use it as a dress rehearsal for any future Scottish referendum. These constitutional issues are of major importance, but elections are generally fought on the government's record and the opposition's policies. If the debate can be shifted on to normal campaigning ground, then Labour has a chance of winning back some lost support.

The Conservatives' reputation for

economic competence is based on bluff, bluster and downright lies. During their seven year watch to date, the economy has struggled while debt has increased by 50% greater than the debt left by Labour. Yet our public services have suffered from savage cuts with welfare and social security being systematically dismantled. The impact has meant soaring poverty with foodbanks becoming commonplace across the county. They have presided over the longest fall in living standards for over a century. Wages have been falling for a decade in real terms and are not forecast to rise for the foreseeable future. The number of zero-hours contracts is five times higher than it was in 2010. This track record should be an open goal for the opposition.

During the Easter recess, Labour captured the headlines with a series of policy announcements that were highly popular with the public. A commitment to legislate for a £10 an hour minimum wage, free school meals for primary school children, nationalisation of the railways, and free university tuition all sent a message about the kind of society that Jeremy Corbyn wants to build.

Other election promises to protect pensioner incomes with the 'triple lock', banning zero hours contracts, aggressively taking on tax avoiders, and the creation of a National Investment Bank could prove to be vote winners and offer hope against further Tory austerity. These policies have to be presented and delivered in clear, sharp messages by Labour's campaign team.

Corbyn's personality will be the focus of much of the Tory attack, assisted by their loyal friends in the media. It would be foolish to deny the flaws of a decent and principled man who has faced extreme vilification and character assassination by the media and by his enemies within the Labour Party. However, he is much better facing the public than he is at the dispatch box being howled at by moronic Tory backbenchers. Theresa May is used to staying on message and repeating slogans, but finds it difficult to speak off the cuff. If she can be shamed into appearing on TV debates, Corbyn may be able to expose her and her Government's weaknesses. The fact that she poses as a 'strong leader' but does not have the bottle to appear in a

debate should be repeated throughout the campaign.

The election in Scotland is unlikely to feature Labour at all, save in one seat if Ian Murray can get enough tactical voters to stick with him. Despite the expected Tory gains of 6-10 seats, the SNP should predominate with mid 40s percent of the vote. In the long run, the polarisation between the Tories and the SNP will mean Labour supporters will have a choice to make. By declaring her party as the only trustworthy defender of the Union, and destroying her former anti-independence allies in the process, Ruth Davidson is playing a dangerous game. She will force Labour to question whether it has any future as a unionist party. And, if there is a UK Tory victory, with no prospect of another Labour Government in the foreseeable future, the outcome of the 2017 election could tip enough Labour voters towards independence and could prove to be the final nail in the coffin of the Union.

Pat Kelly is a former PCS union officer and member of the Scottish Left Review editorial committee



The Jimmy Reid Foundation

Update from the Jimmy Reid Foundation

The Jimmy Reid Foundation continues to develop apace. With a regularly updated website and active facebook and twitter accounts, the Foundation had a very successful time at the STUC congress in Aviemore in April 2017. It held a well-attended fringe meeting at the congress on its report on the case against renewing the Trident missile system as well as gaining re-affiliations from the major unions in Scotland and a number of new affiliations. In the week of the STUC itself, the Foundation published a new paper on the impact of automation on jobs and conditions and, on May Day, it published a Quick Note on the options for the radical reform of collective labour in Scotland. And, at its last project board meeting, the commissioning of further papers was agreed concerning the protection of the environment, developing aspects of public service reform (like citizen participation), and the regulation of employment relations (including an assessment of the operation of the Scottish Government's Fair Work Framework).

These two new papers can be accessed on the Foundation's website @

<http://reidfoundation.org/scrutiny/automation-friend-or-foe-working-paper/>

<http://reidfoundation.org/2017/05/radical-options-for-labour-law-in-scotland/>

We continue to seek financial support so that we can undertake more work so please consider donating by visiting <http://reidfoundation.org/sustaining/>

Not a terrible troika: general election, Brexit and Scottish independence

Bob Fotheringham says the left can be discerning in its choices over these issues

Theresa May has called a general election on 8 June with the purpose of winning a mandate to carry through a Brexit process which is acceptable to her right-wing supporters in the Tory party. If she succeeds, this will mean more cuts, greater austerity, even more savage attacks on our public services and a racking up of racism as the Tories deflect the blame on to immigrants and refugees. In Scotland, we cannot remain neutral on the outcome of this election. A victory for a Corbyn-led Labour Party can boost the confidence of working people throughout Britain to mount a serious fight back against the ravages of free market capitalism.

However, there are problems for those who support Scottish Independence with giving backing to Labour in Scotland. Labour has firmly set itself against Scottish independence. Because of this, support for the SNP has grown massively in working class communities across Scotland - not because people have suddenly turned to nationalism, but because they see Independence as the best way of breaking with the politics of austerity and cuts.

Another difficulty is that the leadership of the Labour Party in Scotland is considerably to the right of Jeremy Corbyn and his supporters. Kezia Dugdale has attempted to pin the blame for the politics of austerity in Scotland on the SNP. Unfortunately, her words sound hollow to most people. This is because her backers in the British Labour Party were themselves involved in severe attacks on public services during the Blair and Brown governments, and because Labour controlled councils have also carried out savage cuts. A vote for Labour in Scotland would not be a vote for Jeremy Corbyn.

Due to this there will be a temptation for some in the independence movement to simply stand back and call for a vote for the SNP as the best way of achieving Independence. This would be a mistake. SNP councils in Scotland have implemented cuts just as vicious as those carried out by Labour and the Scottish Government, despite all its anti-Tory rhetoric, has done little to oppose austerity or mount a serious fightback.

The policy of independence in Europe, which will be at the heart of the SNP's election campaign, exposes the fundamental weakness with its approach. Any decision about whether Scotland is a member of the EU is for the Scottish people to decide. It is not acceptable that a Tory Prime Minister, from a party with little support in Scotland, should choose to block, or even delay, a second referendum. Having said that, while it is one thing to recognise the right of Scotland to pursue EU membership, it is quite another thing to advocate it.

To start with, while 62% of Scots voted during the EU referendum to stay, there is evidence that the attitude of most people in Scotland is more sceptical about the EU than this vote seems to suggest. A recent survey of *Scottish Social Attitudes* showed that 67% of Scottish voters either wanted to leave the EU or wanted it to have reduced powers. With around one third of independence supporters estimated to have voted leave during the EU referendum, tying EU membership directly to Scottish Independence is likely to split the movement.

There seems to be an attitude by some on the left that the EU represents a form of internationalism and anti-racism, which defends workers' rights against the ravages of the free market. This is far from

the case. In Greece, the EU - along with the IMF and European Central Bank - was instrumental in imposing severe austerity - destroying jobs, pensions and social benefits. This same attitude put forward by EU institutions and politicians, has destroyed the lives of working people across Europe. In Scotland, EU rules on competition would not allow us to renationalise the railways or expand investment in public services to invest in renewable energy for example.

While the free movement of people across Europe is to be welcomed we should be clear that this stops at the border of the European Union. The EU is presently paying Turkey billions of euros to keep thousands of refugees out of the EU. They are stuck in temporary camps and left to suffer trauma and depression. Hundreds have drowned in boats trying to reach Europe. The European Union's attitude to refugees is every bit as inhumane and racist as the British Tory government.

So, what should those on the left in Scotland say about who should be supported in this election? We should back all those candidates willing to mount an effective opposition to cuts and austerity, oppose racism and the scapegoating of immigrants and refugees and who support Scottish independence. We also need to understand that, while elections are important, they are not a substitute for supporting and working with those taking concrete action to achieve these aims.

Bob Fotheringham is a member of the Socialist Workers' Party in Scotland

Economic fake news on the Scottish economy

Andy Anderson uncovers some discomfoting 'truths' in search of the truth

Most of us on the left will be familiar with 'fake news'. We will have seen it time and time again over the years. But, of course, for many people that has not been obvious because the British establishment including the BBC are expert at disguising false news. One of the most effective ways for the British establishment to foster fake news is by reporting on the findings of 'independent' research from well known 'neutral' academic sources. It reminds me of the classification of lies into 'lies, damn lies, and statistics', where 'statistics' is the highest category of lie. Here, I address this with regard to Government Expenditure and Revenue Scotland (GERS).

Economic forecasting is not a simple exercise: if it was, the approach of the 2007-2008 banking crisis would have been picked up, by at least some forecasters. Economic forecasting is, in fact, quite complex because it depends on very accurate measurement of the actual imputes into what is a very dynamic system. The difficulty arises because small changes in the level of imputes will normally be widely exaggerated by the multiplier and accelerator effects so that the outcomes are significantly altered.

So if an economist has very accurate data on a country's economy, carefully assesses the multiplier and accelerator effects, prudently checks this work with other similar studies, then they might be able to pronounce their findings albeit with qualification. This qualification means the economist is satisfied that their assessments are correct 'if everything else remains the same', namely, the prediction does not hold if there are other 'unconsidered' changes.

So before an economist can make a prediction, they must have accurate data. Only then, with careful consideration, and a significant qualifying condition can an economist make a scientific attempt at predicting outcomes. This is not an accurate science but it is helpful and is widely employed.



GERS is the sort of statistics which when applied inappropriately, as they frequently are by the media, would qualify as a lie in the 'statistics' category. Richard Murphy has looked specifically at GERS in relation to forecasting on the Scottish economy. He identifies seven separate data streams which would be required for any accurate assessment of the Scottish economy today, never mind the future. These are i) How much is total income in the country; ii) What effective demand exists in the economy; iii) What is the level of private investment; iv) What is the level of public investment; v) What are the country's exports and imports; vi) What is the total level of savings; and vii) What is the total level of taxation?

As Murphy points out we can't get these from the GERS figures. They are not designed to give accurate data on a Scotland-only basis - they are designed to give UK data. The figures relating to Scotland are just estimates and the GERS home page makes that clear. Now if we have no data at all then, estimates from someone else's data, is better than nothing but it is certainly not accurate. If you are going to predict outcomes, and have good data, this can be done within the aforementioned qualification. However, if you have nothing except estimates of the real imputes, it can't be done.

Even if you have the accurate data required you then have another major problem - the qualification. You can't

take a measurement of the Scottish economy as part of the UK today and make prediction for a period when it would be in a different economy, because you can't apply the qualification 'everything else being equal' since the whole point of independence is to change other things. So, if someone tells you an independent Scotland will have a 'balance of payments' deficit of precisely £15bn, that can't be an economic assessment because an economic assessment is not possible on the data available and because an independent Scotland's economy will not follow the pattern of Britain's economy. Rather, it is political propaganda and pseudo-science.

The claim Scotland would have a fiscal deficit is of the same nature. What evidence there is suggests for the last 30 years Scotland has run a fiscal surplus. The claim Scotland has a national debt is also without foundation. Legally, if a new state was created tomorrow called Scotland, it would be a new legal entity and would have no national debt unless, and until, it decided to create one. Britain's national debt is Britain's national debt. Britain created it and is responsible for it.

Let's do a reverse experiment to examine the 'Scottish deficit' claims 'established' by GERS. Let's imagine Norway, one of the wealthiest per capita countries, was to be integrated into Britain. Norway is about the same size

as Scotland and is in economic terms quite similar particularly regarding gas and oil. Let's assume its economic data was mixed in with UK economic data so that its imports and exports could not be measured but were 'estimated' by Westminster controlled civil servants. Let us further assume that Norway's territorial waters had been 'adjusted' by the British Government to place some of its oil-fields in English territorial waters.

Now let's look at the Westminster GERS Norway report. It would undoubtedly find Norway was saddled with a high national debt, because although it has a surplus now, that came from oil revenues which would have been spent by Britain. So it would be in the mix with the much larger Britain which has a considerable and growing national debt. Norway would then have to pay interest on that, out of its annual income. Norway would also have to pay for its share of the military costs of the wars in the Middle East and Britain's nuclear weapons. The Westminster GERN figures would undoubtedly find that Norway had a fiscal deficit of around £15bn and the politicians and media in Britain would tell us that Norway could not afford to be an independent country. This shows us that even a country as wealthy as Norway could have its assets distorted and hidden in Britain's economic mess.

Finally, let's turn to the issue of currency. Politicians on the left from the SNP to the Corbynistas in England and Syriza in Greece appear not to see the political danger, for them, of the role played in a neo-liberal economy by currency and banks. They support Keynesian-type, anti-austerity public investment and economic growth with higher wages, jobs, and social wages, which none of us on the left would disagree with. Unfortunately, none take or suggest ways to ensure that international banks, and their fractional-reserve currencies, are not used to prevent such policies (which they most certainly are doing and will continue to do if left with the power to do that).

The argument around the pound in the independence referendum is a good place to start looking at currency. The SNP government wanted to 'share the pound'. Westminster said no. That's interesting, because neither Government had, or would have had,

any control of sterling or of money supply in the sterling area. So what, did the SNP Government want to share? Apparently, it was the debts and assets of sterling. If so, then Westminster did Scotland a big favour because sterling has very limited assets and huge debts.

On the other hand, Scotland could have used sterling as a domestic national currency as well as for international exchange and it required no agreement or approval from anyone for that. Indeed, if it was using sterling in that way, not only would we not be responsible for any of sterling's debts, but on the contrary, sterling would be indebted to us for our sterling holdings.

But Scotland has an excellent opportunity to get out of sterling and adopt its own 'clean' currency. Now that is very important for the left, because if we dump a fractional-reserve currency, we dump, at the same time, all the international banker's control over money supply and control of the currency in our country - just as Syriza could do in Greece by dumping the Euro and using a currency of their own.



In our book, Ronnie Morrison and I advocated using a full-reserve currency of our own for our domestic economy. We recommend the left reads and understand the case for a full-reserve currency because it gives the Government control over the currency, money supply, debt creation, and most importantly, public investment. We posed the following issues to get to the nub of the matter:

- If we are going to have our own currency, will it be a fractional-reserve currency like sterling, or will it be a full-reserve currency?

- If it is a fractional-reserve currency, it will, by definition, be lending out more money than it is taking in, and will need reserves to bail it out. Who will be the lender of last resort for such a currency?
- If it is a full-reserve currency it will, by definition, not be lending out more than it is taking in, so it will not need special reserves or a lender of last resort.
- Scotland's new currency, particularly if full-reserve, will be a domestic currency not used for international exchange, and not for sale to international speculators. Scotland's central bank would deal with international monetary exchange.
- Having a domestic currency, and not an internationally exchangeable currency would not in any way inhibit Scotland's international trade, in the same way as it does not inhibit the international trade of most countries who have their own domestic currency which is not used in international exchange.
- Will a Scottish full-reserve currency be secure in the long term? Well, sterling is not secure in the long-term because it can only now survive on a large, and ever increasing, national debt. A Scottish full-reserve currency would be debt free and have a secure future.
- Could the Scottish Government get sufficient funds to significantly raise the amount of public investment with its new currency? Yes, this is one of the advantages of such a currency. The Scottish Government could raise all the funds it required, interest free, for public investment, provided it created public assets with this investment.

Andy Anderson is co-author of 'Moving On: An economic case for Scottish Independence' (2014).

Realising the economic potential of the 99%

Mike Danson provides an in-depth analysis of the Scottish economy

In the run up to the next independence referendum, we can expect economic arguments to be emphasised in debates, discussions and commentaries. This is unusual in itself as most independence campaigns have been based on identity, race, and other more divisive and discriminating criteria. But this opens up a number of areas for wider consideration. In particular, a key focal point last time became what sort of Scotland people wanted, perhaps the first opportunity many had had to consider this fundamental question and, indeed, to believe that their own visions and opinions mattered.

However much the wealth or deluge of claims and counter-claims, of boom or doom, confused and polarised the electorate, being part of this conversation was critical in establishing the terms for subsequent elections, referenda and discourse. It also moved many to re-evaluate where their own and their nation's economy and interests might be best located in the future. Reorienting long-held perspectives, beliefs and certainties was a significant outcome, therefore, which makes further fundamental change not only desirable but also possible.

Instead of encouraging and nurturing another national debate, however - as if the economy and society was at some optimum already - much of the mainstream, alternative and social media are already becoming consumed with a narrow bubble of swapping insults over 'facts' and statistics. Here, I will offer a guide through some of the noise generated already so that there might be room for some deeper understanding and thinking.

Some of the key economic indicators we can expect to hear about in the coming months will relate to the macro-economy - GDP, trade, debt, currency, North Sea oil revenues; and, to a lesser extent, there will be reference to effects on individual's pensions and taxes, to jobs in specific firms, to passports and border controls. The former will depend upon, and create, the conditions for how well Scotland's economy is performing overall. Unlike projections in 2014, though, the comparison cannot be

between staying in the UK and being independent but rather between being in the UK after it has left the European Union and Single Market, and being independent. The uncertainty and risks involved in leaving 'Europe' mean a period of insecurity, job losses and falling incomes, with consequent and subsequent attacks on workers' rights and further decline.

The next few years promise a period of exaggerated austerity, an exacerbation of the uneven development of the British economy and no recovery or alternative economic strategy on the table from the British Government or Opposition. It is against those alternative futures that fearful projections of how Scotland would fare under independence should be judged, and these projections should not be extrapolations of Scotland in the UK based on unverifiable Government Expenditure and Revenue Scotland (GERS) or equivalent figures.

To an extent, the failure of successive British governments to regenerate all regions after the deindustrialisation and financialisation of the economy is blatantly apparent in the recent GDP statistics. Despite the recent headlines of a lagging performance against Britain, the reality is Scottish GDP per capita lies only behind London and the South East of England within the UK, and if an independent Member State, it would be ranked ninth in the EU.

Other official figures actually show Scotland's aggregate economic performance - measured in terms of Gross Value Added (GVA) per head and unemployment, the attraction of inward investment and enterprise creation - continuing to be comparable with Britain and EU averages. Despite the adverse winds of change, therefore, and the reduction of activities in the North Sea oil sector especially, this suggests an economy which has demonstrated a capacity to recover better than most.

Indeed, productivity in Scotland has now effectively caught up with the British average. In manufacturing, it is just above and in the rest of the economy fractionally below. Significantly, again

only London and the South East achieve higher levels. The poor performances of the other regions of Britain reveal the underlying problems created by centralisation and concentration of power which generates further inequality - now the highest in the OECD - and ongoing underdevelopment; and within this environment, Scotland has managed to outperform everywhere but the greater south east.

An important consequence of the neo-liberal policies of deregulation and privatisation, which accelerated the de-industrialisation of the Scottish economy, was the further loss of local management and control. This restructured the economy away from manufacturing, with production and service sectors increasingly incorporated into supply chains where the headquarters, higher functions and incomes gravitated to London and other seats of multinational enterprises.

Compared with the 1970 and 1980s, there has been but muted reactions to these developments and yet our nearest neighbours in northern Europe have maintained their own strong national production companies, able to supply the domestic market as well as trade internationally. Rebuilding these elementary components of the economy encourages innovation, the creation of well-paid and graduate level employment, and enterprise according to analyses of why the Nordic countries, Germany and the Netherlands are more successful than Britain. So, although Scotland has performed relatively well in the British context, it remains unable to achieve its potential in European terms despite its natural and human capital resources. Looking for explicit descriptions and consequences of the uneven distribution of power should be expected in the current months if workers and voters are to be enlightened on what options can be considered.

The realisation and exploitation of the world-leading research and development in Scotland's universities should be the basis for a new industrial revolution in a triple helix of academia-

industry-government, commercialising innovations to re-establish the Mittelstand that underpins the German model and the 'smart specialisation' of the Nordics.

Commentaries and debates in the media, though, seldom address such knotty questions as to how to progress this agenda, largely because that would challenge the cosy neo-liberal consensus that 'business knows best'. For example, the mainstream commentators were slow to challenge their own and others' explicit and strong support for the entrepreneurial culture based on the two major banks with 'Scotland' in their titles, RBS and HBOS, and then willing partners in misrepresenting how ownership, control and operations of these 'Scottish' banks had forsaken their Scottish roots.

Again, asking simple questions about financial institutions and their motivations during the independence referendum would have been a minimal service to trade unionists and others losing their jobs rather than warning about moving brass plaques. Similarly offering some analysis of how the Nordic countries had dealt with their recalcitrant bankers in past crises and so avoided post-2008 recessions would have been expected of a mature commentariat.

The reality is that most countries have faced banking crises, and the Nordic countries have led on how to manage the bankers to avoid damage to their economies. International banking regulations, policy and practice meant that where there are banking failures, it's not the name that matters but where the shareholders, customers and employees reside. Scotland would not have faced a meltdown because of the failings of RBS and HBOS. Attention, therefore, needs to be focused on rethinking our banking and financial sector so that it is fit for purpose – saving for population needs and ensuring that investment is there for our enterprises.

Is Scotland an outlier with regard to debt? Well debt – public and private – across Britain is about the worst in the world, and one measure - net government debt as a percentage of GDP - is higher than any of the Nordic countries and, apart from Iceland, they

are actually in net credit. As with some other bad news regarding Scotland's position, the parable, 'And why do you look at the speck in your brother's eye, but do not consider the plank in your own eye?', seems apposite. By comparing the calculated debt and deficit challenges facing Scotland with Britain's, economic commentators are not standing back and asking what on earth is happening to Britain economy and how come our small, open economy neighbours are the most prosperous in the world and have managed their development so sustainably.

The isolationism of the Brexit debate is being applied to analyses of Scotland's performance and potential, missing the lessons and experiences of countries in the same part of the globe with arguably poorer levels of human capital and skills and natural resources. So, if they can do it, why wouldn't we be able to prosper?

An economy with our competitors' levels of skills utilisation with workers directly involved in innovation and management will not appear in the metropolitan analyses or proposals for how Scotland might develop. Relatedly, the need for better management and leadership is a matter of urgency if Scotland is to realise the benefits of its investment in a highly skilled and educated workforce and research in universities and laboratories. Yet, where do we see such analyses compared to the focus on minutiae of institutional structures and the latest official statistics?

The threat of a post-Brexit Britain characterised by deepening neo-liberalism in industrial and workplace relations, dismemberment of employment and human rights, and further privatisations is diametrically opposed to the evolving needs of working class Scots. Repatriating these powers and controls to move the Scottish economy forward is essential if there are to be the sorts of fundamental changes towards the models of our globally successful neighbours. That would see the promotion of an economy with more

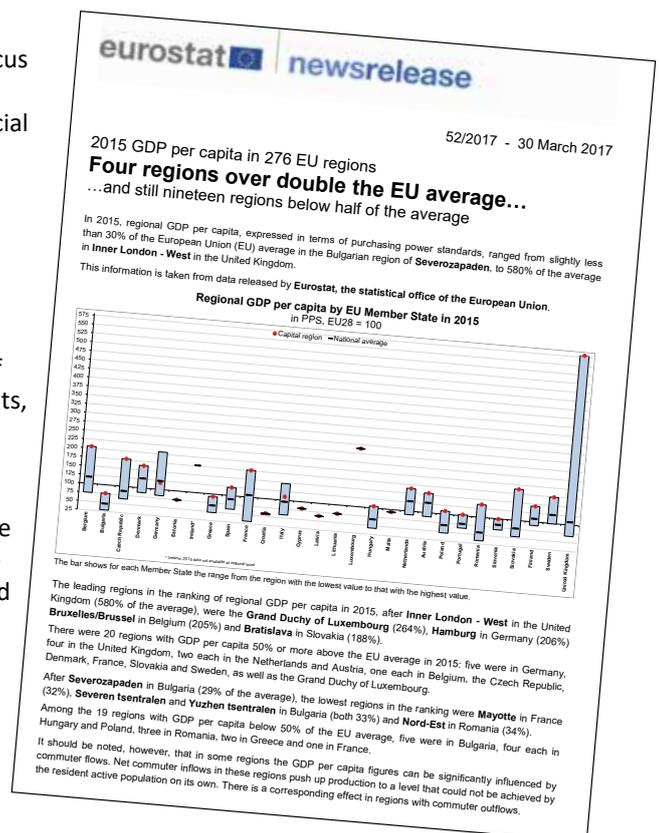
local production, growing enterprises based here, using skills and expertise nurtured and attracted to Scotland, with workplaces thriving through innovations from the bottom up.

But privileging discussions on the currency, border controls and trade figures – see countless examples across the world including Canada/USA to see how these are all made to work – allows the debate to be skewed away from alternative visions. The next referendum should be the opportunity for all social partners – unions, management, entrepreneurs, government - to be involved in challenging and proposing an array of types of organisation: public, private, community and worker cooperatives. An inclusive and democratic approach is the foundation of successful societies and economies and offers different prospects from today's branch plant economy. Dare our commentators enter those debates?

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Financial masters of the universe versus sovereign governments

Joshua Banerjee says governments need to reassert their control over transnational financial markets

A former advisor to President, Bill Clinton, James Carville once remarked that if reincarnation exists then he would like to come back not as the president, or the pope, nor even a baseball megastar but as the bond market because of their power to intimidate everyone. This prescient remark underscores the asymmetry in the distribution of power between sovereign governments and global financial markets, which goes hand-in-hand with the ascent of deregulated global finance.

Whilst a number on the left have sought to provide a coherent alternative to the wave of austerity that engulfs many of the world's economies, the development of a meaningful alternative can only be formed upon a bedrock of financial stability, with empowered sovereign governments reasserting their control over a global financial system that has become answerable to no master. This will require a marked shift from the current international financial architecture to one that permits governments to pursue policies conducive to high and sustainable rates of economic growth, rather than being beholden to the whims of financial markets, and their opaque concept of 'credibility'.

The events of the last decade or so have engrained into the popular psyche phrases that were previously the domain of a small niche of experts. So 'sovereign debt crisis', 'systemic risk', and 'financial contagion' have all entered the mainstream political lexicon. These issues, however, are nothing new, and financial instability has been a persistent feature of the neo-liberal economic era, with each decade punctuated by episodes of instability that were terrifying harbingers of the 2008 meltdown.

Just ask the plethora of East Asian countries who saw their economies taken to the brink in the late 1990s, the so-called 'Tequila Crisis' that spread like wildfire through Latin America during the same decade, or the French economy during the mid-1980s when the progressive agenda of socialist President Francois Mitterrand met its death under relentless speculative attacks. History is awash with examples of international financial markets steamrolling sovereign governments who were rendered powerless to avert the financial instability, economic disruption, and human misery that resulted from such episodes.

The negative by-product of this ever-present threat from financial markets has been to cultivate a deep risk-aversion in the conduct of economic policy, whereby 'less is more' in terms of government intervention. This hands-off approach, whilst very much to the taste of those on the political right, has served to undermine growth, hamper productivity, and worsen inequality. If the left is to succeed in its efforts for wholesale reform in this area, as opposed to merely tinkering at the margins, three conditions must convincingly be met.

Firstly, it must repudiate from first principles the notion that unrestrained capital flows are economically desirable. Secondly, it must present a clearly worked alternative framework to replace the liberalised *status quo*. And, finally, progressives must be able to articulate a compelling political vision as to why sweeping reform is necessary, and the ways it will empower governments to foster an economy that generates widespread prosperity.

Secession of control to financial markets has been presented by free-market fundamentalists as something of a virtue, in which the omniscient 'invisible hand' constrains governments from pursuing supposedly reckless agendas, and instead forces them towards 'sound' and pro-market policies. Indeed, the overriding sentiment of this 'market discipline' argument is predicated on the idea that financial markets prevent governments from pursuing a raft of misguided policies, thus averting the rip-roaring inflation that would ostensibly result from such interventions. So, could it be that the powerful interests comprising financial markets are vastly misunderstood creatures, whose benevolent intentions are in fact to save the masses from the dangers of some inflationary bogeyman?

Sadly, the true explanation is far simpler, inasmuch as those fortunate enough to be well endowed with financial investments have a clear incentive to favour prohibitively low rates of inflation, since it allows their financial cash flows to command greater purchasing power in the future. Thus, the real reason for the markets' inflation alarmism is that it reflects their own underlying distributional preferences, which they then seek to impose on society at large via the omnipresent threat of a disorderly sell-off of financial assets.

The reality, of course, is that the economic environment of recent years throughout many of the advanced economies has been one in which inflation was too low, rather than too high. In conditions where a significant number of economic agents are suffering from a debt-overhang, a moderate amount of inflation is very much desirable in allowing individuals and businesses

to meet their repayment obligations and avoid costly defaults. That is to say, some well-designed expansionary fiscal policies would have been of great help in mitigating the aftermath of the Global Financial Crisis. Yet governments found themselves repeatedly undermined by the potential ramifications from financial markets. To see the results of this, one need only look at the significant number of Eurozone countries who have been trapped amidst a deadly vortex of low inflation and weak economic growth, which has resulted in the predictable outcome of worsening their debt position.

What is called for is a fundamental readjustment in the balance of power between national governments and international financial markets. The challenge is to cultivate a financial system that is not only responsive to the needs of the real economy, but is also sufficiently restrained so as to avoid the diminution of policy autonomy that has proved so damaging over recent decades. Indeed, we can draw pertinent insights from the immediate decades following the Second World War, a period when international capital movements were a mere fraction of what they are now, and yet it proved to be a time of unrivalled prosperity with regard to GDP growth, unemployment, and productivity performance. A key facet of the success during that period was the marked degree of international cooperation that characterised financial regulation, thereby, reducing the potential for a damaging game of regulatory arbitrage.

A vital first step will be for countries and international organisations alike to undertake a mature and level-headed analysis regarding the control of international capital flows, and to allow national governments to impose restrictions on external capital movements. There will need to be effective controls on short-term capital inflows, which might

be achieved through some form of tax-based obstacles to the cross-border flow of funds. Restricting financial flows in this way is not protectionism, indeed, it is quite distinct from the trade in goods and services, and is instituted not to gain a competitive advantage over foreign firms, but rather for reasons of financial stability.

A particularly important element of the revised global financial architecture should centre on what was known as the 'Article VI debate' at the founding of the International Monetary Fund (IMF) in 1944, and something the economist, John Maynard Keynes, pushed hard for. This rule would have required both the IMF and its members to assist in the enforcement of any member state's controls against capital flight, constituting a united front in the face of unacceptable torrents financial volatility. Unfortunately, the juggernauts of Wall Street cast their malign spell on the levers of power in the US, and Keynes' enlightened plan was watered down substantially. Nonetheless, it offers a powerful and compelling vision of how countries, with the appropriate degree of international coordination, can reassert their economic sovereignty over a financial system that increasingly poses far more by way of threats than it does in terms of opportunities.

Ultimately, it is the ill-conceived notion of 'market discipline' that underpins the shaky intellectual edifice of liberalised financial markets, and the subsequent emasculation of sovereign governments. Its toxic side-effects are to condemn economies to paltry rates of growth, diminish the chances of finding gainful employment, and allow those in debt to sink further into a spiral of financial decline.

Reform in this area is too important to be left to an arcane cabal of technocrats amidst the towers of Basel. Indeed, if the left succeeds in driving wholesale and much needed change, it will reap the far-reaching benefits for years to come. Failure to alter the *status quo* will see its future efforts to forge fairer and more prosperous societies brought to ruin on the altar of deregulated global finance, just as the graveyard of financial history bears testament to. This is an existential challenge that the left can no longer afford to ignore.

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'I, Daniel Blake' shows care in the community

Keith Stoddart explains how to put on a show

In promoting over 50 screenings of the award-winning film *I, Daniel Blake*, the People's Assembly in Scotland facilitated over 7,000 people from Aberdeen to Berwick to view it. Venues included community centres, clubs, union offices, churches, town halls, and cafes. Not bad for a film that can be bought for less than a tenner in most supermarkets.

It stands out as it tells a story hidden in mainstream media but is a daily reality for many in Britain. Depicting the struggle of claimants - one with a serious heart condition and a single mother denied benefits - it moved many to tears. In laying bare personal tragedies created by the benefit system, it depicts not a benefits system working dysfunctionally but one working exactly the way this government intends, namely, one that makes it difficult for citizens to claim that which is rightfully theirs. It also creates division between claimants and those in low paid precarious work.

Contributions from those with personal experience of the iniquitous sanctions regime highlighted how the film did not tell a horrific enough story, harrowing though it was. Comments heard most often were: 'That's me' or 'That could be me, my sister or my family'. All could identify with the characters. No one said it was exaggerated and what we heard was genuine concern for Daniel and Katie and her kids.

Screenings offered the People's Assembly and local campaigners an audience to recruit for future activity. Importantly, they gave PCS activists an opportunity to highlight difficulties faced by low paid DWP workers in imposing sanctions, if targets were not met and being too sympathetic to claimants.

Encouragingly folk wanted to help the Daniels and Katies in their communities. All screenings were free though those who could afford to do so were asked to bring a donation either

in goods or cash donations for local foodbanks.

Organisationally, it was not difficult. The distributors were emailed dates, venue details and the local contacts addresses. DVDs were sent promptly ensuring compatibility with equipment and returned along with payment afterwards. Screenings cost £72 [£60 licence + £12 VAT] and this cost was with few exceptions covered by sponsorship from union branches, accommodation was either provided free or sponsorship was provided. Special mention should go to UNITE community union section for creating a bank of equipment for the movement's use.

That the People's Assembly organised screenings is not surprising, given that most unions in Scotland are affiliates as are political and community groups. Both the Labour Party's Campaign for Socialism and SNP Trade Union Group are represented on the Scottish steering group of the People's Assembly. Indeed, the Peoples' Assembly in Scotland is perhaps the only organisation that can rightly claim to be the broadest based group opposing austerity.

With its key demands deliberately focused on the concerns of working class families, it offers an opportunity to campaign on issues rather than constitutional arrangements. These are i) a fairer economy for a fairer Scotland; ii) more and better jobs; iii) high standard social housing; iv) protect and improve public services; v) fairness and justice; and vi) a secure and sustainable future.

Local people's assemblies, based around trades councils, are in the forefront of campaigns in support of claimants unjustly sanctioned by the DWP, highlighting and opposing cuts in local services, anti-fracking and environmental concerns. These local groups are re-establishing the links that previously existed between

unions and working class communities where typically it was the local works convener who was secretary or chair of the local tenant's association.

All council group leaders and every councillor this year received our Peoples' Manifesto, highlighting the implications for communities if proposed cuts and job losses were implemented. We offered alternatives and assistance in creating budgets that halted any more cuts as well as expanding services. Above all we asked that councillors worked with their communities to capitalise upon the anger people feel about the devastating effect cuts have on the poor and disabled. In doing so, we encouraged them to become part of the resistance.

Both North Ayrshire and Renfrewshire have set no cuts budgets and are expanding services. This should happen elsewhere. The People's Assembly Scotland is not anti-councillors. It is an ally if councillors listen to voter's concerns.

Ken Loach should be thanked for making his film available as a campaigning tool. It shows the power of the arts in moving people's hearts and minds and increasing participation in struggle. Those attending screenings of *I, Daniel Blake* included those unlikely to attend a 'political' meeting. They came because of the positive publicity that the film received. The film made people angry and we should focus this anger to where it belongs - not on the DWP worker in receipt of tax credits after years of zero pay rises but at the governments in Westminster, Holyrood and Brussels who are the architects of 'our' austerity via the neo-liberal Lisbon treaty.

Keith Stoddart is secretary of Peoples Assembly Scotland Steering Committee

Automation: friend or foe?

Sarah Collins looks at the implications of new technology for work

The last 150 years have seen the greatest technological advancements in the globalised world. The last 15 years have seen the most far reaching, individualised, uses of machines and automation ever. We are already living in the 'robotic revolution'. We can either be fearful of this, trying to stave it off; or we can embrace it and find ways to leverage the use of machines to enhance the quality of our lives. With technological advancements comes challenges for the organised labour movement, but it is up to us to use these advancements to our advantage.

'The smart phones are very rigid with the tasks they set. You need to do what they say.' These words were spoken with trepidation by a homecare worker recently when describing how her assignments are allocated on each shift. In a world where care work is supposed to be the last bastion of human interaction and discretion, those who work in this area are now beginning to feel that they're losing their autonomous caring ability because of how automation is used to mechanise their work.

We are already living in a world of automation - from self-service petrol stations to pay on demand TV and film. This is a very different world from ten years ago. And many people already believe that they are absolutely required to follow the machines' instructions - self-service checkouts barking orders that you haven't bagged an item properly, or lifts asking you questions - because some of their own autonomy has already been depleted by these machines.

People's biggest concern with automation is the technological unemployment which is likely to be created. Particularly in the unskilled and semi-skilled workplaces, it is easy to see how this might and likely will happen. With the advent of driverless cars, drones and 3d printers it is quite easy to imagine a future whereby we buy an item from Amazon by simply printing it at home, or it is printed in a warehouse and delivered to us via drone.

However, it is also a concern for the professions. Software has already been developed which can do the job of an accountant or a pharmacist and there has even been software developed which predicts a judge's decision in around 64% of cases tested.

Nevertheless, there is another aspect to this concern: workers behaving as robots. Since Ford's assembly line was developed in Detroit in 1913, workers all over the world have been continually forced to become 'more productive', i.e., work faster and more robotically. Whilst mass factory life no longer exists in Britain, it does in other parts of the world e.g. phonemakers, Foxconn, employing around 1.4 m workers worldwide. And even in Britain, if we look at call centres, the principle of the assembly line is not a million miles away.

Now, machines should surely be welcomed to replace these jobs, or at least alleviate some of the increasing pressure on people's productivity levels. But, that depends on how this is done and the question posed by union leader, Walter Reuther, to Henry Ford remains: 'How will people afford to buy these items if they are out of work?' Furthermore, whilst technology can bring more choice and freedom, it can also be used as a means of control and is only available to those who can afford it. Therefore, there is an underlying class element to the 'fourth industrial revolution'. There remains a paradox between this technology, a lot of which was originally developed for military purposes, and the fact that people around the world, including in Scotland, can't access broadband internet never mind use a raspberry pi.

As washing machines made it easier for women to do household washing in a physical sense, they still reinforced a lot of gender norms and actually increased isolation as communities of women were no longer gathering at the steamy. A robot is surely not a replacement for stimulating group conversation, is it?

According to an academic paper 'Robots, men and sex tourism' by Ian Yeoman and Michelle Mars, we should soon expect the windows of Amsterdam's red

light district to be filled with robots. In their paper, Yeoman and Mars said: 'In 2050, Amsterdam's red light district will all be about android prostitutes who are clean of STIs. The city council will have direct control over android sex workers controlling prices, hours of operations and sexual services.' This article is not the place to delve into the pros and cons of such technology, but instead to begin thinking about how our social interaction, or lack thereof, will change with the fourth industrial revolution.

Of course, when machines replace collective human interaction or base level intimacy people are not actually getting real human contact. In Tokyo's electronics district, a cuddle café was opened in 2012 where customers can pay to spoon a stranger. Again, without getting into the sexist overtones of these particular cafes, it is very telling that in the world's most advanced technological sphere young people are paying for staff to simply just pat them on the shoulder in some occasions. Will this technological revolution push humans to pay for the slightest human contact?

Whilst the labour movement in Britain, USA and Europe is only beginning to get to grips with the 'new' precarious industrial environment, with successful and semi-successful campaigns such as Fight for \$15 and Better than Zero emerging from a new politicised generation, companies are, of course, a step ahead.

We already have self-service McDonalds and a prototype of self-service pub has been developed, called Pour My Beer. It is easy to imagine these being, at very least, semi-popular in a few years.

Where does all this leave our 'new' union strategy for organising the precariat? We urgently need to get up to speed on exactly what technology is out there and how it can be used. Corporate firms have consultants providing them with finest details of how they can use technology to both cut costs (i.e. labour) and become more effective and dynamic by using some of the technology to their benefit. Meanwhile, we are left out in the cold.

So, not only do we need to get up to speed in order to 'save jobs' or diversify skills, but we should also be putting this technology to good use. Imagine using virtual reality to train reps by simulating negotiations with the boss or the organising of a strike. We could use advanced software to conduct real time power analysis or even assess whether a job is socially useful or not.

Interestingly, whilst those on bogus self-employed contracts are often atomised and work in isolation from each other, they are using technology to their advantage. Without naming names, workers with a famous delivery company are using WhatsApp to voice their concerns directly to managers and to organise with each other without fear of immediate repercussions. The veil which social media provides is useful in this instance.

There is a view that people *want* to work and offer their labour to the economy which will be hindered by automation. However, is that really the case? How many people really want to exploit their labour? Instead, don't people want to contribute something valuable to society?

The steam engine is probably the single

biggest industrial feat to advance human social development. However, without the educational labour involved in educating James Watt, this wouldn't have happened. And this is perhaps what we can say is humankind's unique value: ideas, concepts, imagination and feeling - at least, for the moment.

Nonetheless, we hear cynics shouting 'imagination doesn't pay the bills!' - which is, of course, true and is also why the ideas around universal basic income must be tested immediately. This discussion is moving forward in Scotland and should be welcomed as one way to alleviate potential problems this new digital age may bring.

But the conversation, and indeed strategy, needs to go a lot further, particularly in the global labour movement which is also being squeezed by the other 'minor' issues of the alt-right and climate change. The cure for cancer, the innovator of something we have not even imagined yet, and the creators of a better society are likely locked out of this technological revolution, or soon will be, by increasing inequality in the world brought about by automation, weak infrastructure, outdated taxation systems, unequal globalisation and climate change.

The plans for dealing with these power struggles require a more dynamic way of thinking and organising. Simply demanding '£10 per hour minimum wage' or 'let's build more social housing' is not going to cut it alone. It doesn't raise people's expectations any more than it does give them a strategy for implementing them. Therefore, our labour movement has a responsibility to pro-actively plan for the future world of work (or unemployment as the case could be) for those who will soon know the future of fully automated luxury communism or barbarism to update Rosa Luxemburg's dictum.

Sarah Collins works with Scottish Union Learning to support Better than Zero (<http://www.betterthanzero.org>).



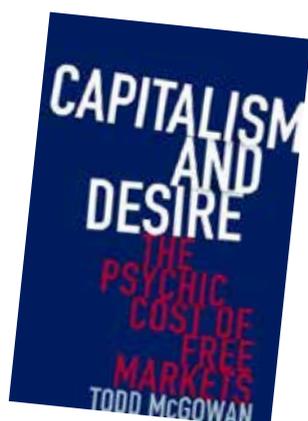
Note: The Jimmy Reid Foundation, our sister organisation, published a paper of the same title and on many of the same issues by Unite Scotland in late April 2017. It can be viewed @ <http://reidfoundation.org/scrutiny/automation-friend-or-foe-working-paper/>

Book review

Todd McGowan, Capitalism and Desire: The Psychic Cost of Free Markets, 2016, Columbia University Press, 9780231178723

Reviewed by Sean Sheehan

The premise of this stimulating book is that both Marx, highlighting the injustice of capitalism, and Freud, probing its repressiveness, focus their criticisms in terms of what our economic system



denies to people. This has allowed apologists of the free market to point to the undoubted benefits of the system. Capitalism holds out the promise of satisfying all our desires and this goes to the heart of McGowan's radical critique that is not deflected into thinking that easing injustices or removing repression is what revolutionary change is about.

Satisfaction is always being promised but always is just out of reach because what we get is never quite what we really desire. We enjoy what is given but cling to the possibility that a more complete satisfaction is waiting there on the horizon, in the form of the newest commodity or an updated model of the one we already possess. Freud came to see after 1920 that people are motivated through their sense of there being something missing, a process he misleadingly called the 'death drive'. Capitalism's success is in making accumulation an imperative, and this is its psychic power.

McGowan shows how people have

a tendency to repeat loss and failure because nothing is so satisfying as the pursuit of a lost object. Rather than eating an apple to satisfy hunger, we seek something that transcends its rounded, healthy attractiveness. The apple is never just a fruit, it is not coincident with itself, it self-divides to become a signifier for something else and an excess attaches itself to the apple. Maybe Steve Jobs didn't fully realize this but the desire for the latest products of the corporation he created is no more about technical specs than eating an apple is just about staving off hunger. *Capitalism and Desire* argues that the lost object, Lacan's *objet a*, becomes a commodity - and you can buy it at a store that is close to you and your heart's desire. McGowan's book is a reader-friendly and therapeutic dissection of capitalism's success. His examples are readily comprehensible and he avoids heavy academic language.

Sean Sheehan is the author of Žižek: A Guide for the Perplexed' (Continuum, 2012) and a forthcoming guide to Herodotus' Histories.

Solidarity with the Kurds

Stephen Smellie reports on the background to intimidation of Kurds in Scotland

In January this year, the Scottish press ran alarmist headlines such as 'Police probe terror cash financing in Scots capital' (*Herald*) whilst reporting on police investigations into fund raising for the Kurdistan Workers Party (PKK). Police sources confirmed a series of visits to members of the Kurdish community and searches of premises had taken place in previous months. Readers would believe that a major terrorist organisation was being funded from Edinburgh. The truth was, and is, somewhat different.

Police had visited premises and interviewed some members of the Kurdish community. The pretext for this was said to be concern about funding efforts for the PKK. However, no-one was arrested and no-one charged with anything to do with the PKK.

The result of this police effort? Kurdish people living and working in Scotland suddenly were scared to meet friends or to participate in protests against Turkish government policies. Memories of police visits to their homes when they lived in Turkey, where beatings and torture were not uncommon, either in police stations or on their way to the station, were rekindled. In short, a community was intimidated.

Why did this intimidation occur? In late 2016, a number of protests took place in Edinburgh against the policies of the Turkish government towards the Kurdish community in Turkey, support for Islamists in Syria, and attacks on the Kurdish forces in northern Syria fighting ISIS.

A cross-party group on Kurdistan was established in the Scots Parliament. The STUC and major affiliates adopted policies critical of Turkey and expressed support for the Kurdish struggle in Turkey and Rojava. A number of Scots activists took part in visits to Kurdistan and leading members of the pro-Kurdish People's Democratic Party (HDP), including co-leader, Figen Yuksekdag, visited

Scotland. Scots participated in the setting up of the Freedom for Ocalan Campaign which aims for the release of Kurdish leader, Abdullah Ocalan, from a Turkish prison. Support for the Kurds and opposition to the Turkish government's policies, including in relation to the refugee issue, have been growing in Scotland. Some of the protests have targeted the Turkish Consulate in Edinburgh including protests outside and the handing in of protest letters.

Again in late 2016, several Scottish businesses ran by Kurdish Turkish citizens have received contact from the consulate advising them not to participate in protests with the implied and sometimes stated suggestion that to do so could cause them problems should they wish to visit Turkey in future.



It, therefore, does not take much to imagine that individual Kurdish people could be identified to the police by either the consulate staff, or contacts, as suspected supporters of the PKK. Given such information the police are duty bound to investigate and, therefore, become pawns in Turkey's game of intimidation against the Kurdish community. A tip-off to the press and the Scottish media are also then a party in this intimidation.

The Kurdish community in Scotland come from all four parts of Kurdistan which fall within the states of Turkey, Syria, Iraq and Iran. They mostly arrived here as refugees from the persecution in each of these states or the violence that engulfed them. They are a peaceful community which includes many small businesses, taxi drivers, teachers, doctors and many who still

await the official leave-to-remain status that will allow them to work.

Many of them keep a close interest in events in Kurdistan whilst integrating into Scottish society. All of them are appalled at events in Turkey and many of them are supporters of the ideas developed by Ocalan and support the demand that the PKK be removed from the 'terrorist list.'

In that, they are not alone. Many people across Europe support the delisting of the PKK and the release of Ocalan. This reflects a growing understanding that in order to move towards a peaceful solution to the 'Kurdish Question' in Turkey, an engagement with all the people and not just those who support the ruling AK party is needed and Ocalan's role in such an engagement is critical. Ocalan proposes a democratic solution within the Turkish borders, advocating democratic autonomy, secularism and gender equality. Holding or even discussing such views in Turkey is enough to be convicted of supporting terrorism and therefore a whole community is criminalised.

Police action here in targeting Kurdish people who wish to show solidarity with the hundreds of Kurdish people killed by police and army, the thousands who have been removed from their homes and then watched them being bulldozed, the thousands of public servants who have been sacked, the Kurdish supporting MPs of the HDP who have been jailed for opposing government policy or, the hundreds of NGOs that have been closed down by decree, runs the same risk of criminalising a whole community here in Scotland. Democrats, socialists and respecters of human rights must stand shoulder to shoulder with the Kurds in Scotland and in Turkey.

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Criticising Israel and fighting antisemitism

Henry Maitles is a Jewish anti-racist and Professor of Education at the University of the West of Scotland

I have never been a member of the Labour Party and have not voted for them for many years. I have no intention of voting or supporting them in the future. So I have no agenda of defending the party from accusations on those grounds. I am Jewish and have strong concerns that the furore over Ken Livingstone and antisemitism as well as the adoption by the British government of a particular view of antisemitism has led to a particular atmosphere. This is where criticism of Israel, the political philosophy of Zionism, opposition to settlements in occupied territories, the entirely peaceful support for Boycott, Disinvestment and Sanctions campaign as a way of forcing Israel to negotiate over Palestinian human rights are now portrayed as antisemitism. Especially worrying is that debates that have taken place inside and outside Jewish circles as to the best ways of challenging antisemitism are now seen as antisemitic themselves.

It is nauseating to watch the political right worldwide - the supporters of Prevent, the supporters of Burkini bans, the supporters of immigration bans against Islamic countries, those who claim Hitler didn't gas his own people - complaining that the main antisemites are those of us on the left. And, all this as the antisemites of Jobbik, Golden Dawn, the French Front Nationale and others across Europe gain strength. By contrast, I believe it is entirely feasible to be critical of Israel, anti-Zionist and a strong opponent of antisemitism.

I have no doubts that Ken Livingstone and the left in general is anti-racist and firmly opposed to Islamophobia and antisemitism. It was heartening to see that the large European demonstrations against racism in March had Islamophobia and anti-Semitism as their main targets and to see Jewish members of the Labour Party defending Livingstone at the last inquiry – indeed, I think that is

the reason why he was suspended rather than expelled. It was disheartening to watch left Labour leaders, including Corbyn and Abbott, who I'm certain know that the attacks on Livingstone inside Labour is a thinly veiled attack on them and the left, insisting on a further court that will likely expel him.

There has been longstanding debate inside Jewry since the formation of Zionism as a political force in the 1890s as to whether Zionism as a political philosophy is the best ways of combatting antisemitism. To most Jews before the Holocaust, Zionism seemed to be giving into the racists – the antisemites said Jews out; the Zionists said we want to go. For the bulk of world Jewry in Eastern Europe, the fight against antisemitism was a fight against the racists in Europe. That is why so many were involved in anti-racist movements and why it is estimated that of the 50,000 International Brigade volunteers who went to Spain in the 1930s to defend democracy against fascism, 6,000 were Jews.

This argument around how best to deal with antisemitism reached its peak during World War 2, when the Jewish Councils in Nazi occupied areas were put in the terrible position of deciding how best to save what they could. It involved, of course, compromise and, for some, collaboration with the Nazis. Numbers of Holocaust survivors – Primo Levi, Elie Wiesel and Marek Edelman, for example – have tried to come to terms with it and help our understanding of it. The debates were ferocious and often violent. The first victims of the Warsaw Ghetto uprising were the Jewish police. Indeed, there was a famous court case in Israel in the 1950s around claims that Rudolf Kastner, a leader of the Budapest Jewish Council, collaborated with Eichmann in 1944 to allow some 1700 Zionist pioneers (including his family) to get

to Palestine in return for his support in facilitating the transportation of Hungary's Jews to Auschwitz. Primo Levi's work is about the 'grey zone', the difficult boundaries between compromise and collaboration and the guilt that was felt by survivors.

It is also well documented that the Nazis were in favour of making life so difficult for German Jews that they would emigrate; and, until about 1937, the Nazis considered Palestine as an option, alongside, amongst others, Madagascar and the Argentinian Pampas. This is not to excuse the crass nature of Ken Livingstone's comments, but neither does it mean that Livingstone is antisemitic nor must it be allowed to close down debate. My point is that these are complex, difficult topics that help throw light on how to combat racism. We need to debate them so that we can learn lessons from the Holocaust, so that it is harder for genocide to recur.

Finally, I worry that these events inside the Labour Party have emboldened those who wish to curtail criticism of Israel. All say that it is entirely legitimate to criticise Israel, but some are now arguing that being anti-Israel has antisemitism at its secret core. I think it entirely legitimate to argue for a democratic secular state in the area, composing the lands of Israel, the West Bank and Gaza, as opposed to the Zionist ideal of a Jewish state. To think this is race hate is ridiculous. There is no contradiction between arguing for these things and combatting antisemitism.

Henry Maitles is a Jewish anti-racist and Professor of Education at the University of the West of Scotland

Gramsci and Scotland revisited

Ray Burnett reprises his role as a cheerleader for Antonio Gramsci in Scotland

I first became aware of Gramsci in the late 1960s as a student in Aberdeen. As someone with a deep personal interest in Scottish history and culture and as a trainee teacher of English and History, I was struck by the Anglo-centric orientation of both disciplines in curricular content and the inferior status given to Scottish history or culture. This phenomenon was also found in the Anglo-Brit left including the English 'new left', the very proponents of a Gramscian approach to the specificities of history and culture and who identified – following Gramsci – that cultural hegemony was a key tool of the ruling elites.

It was clear that if the theoretical tools provided by Gramsci were to be deployed specifically to our own situation in Scotland then it was a task we would have to undertake ourselves. In 1970, this resulted in an all-day teach-in at Aberdeen University with a focus entirely on Scotland to facilitate a rigorous re-examination of our intellectual and cultural history, the common past that had made our shared present. The Gramscian tenor of the theoretical underpinning was evident in the focus of the programme on 'the national-popular', the role of 'intellectuals', and the 'common sense' of each era (from the early medieval to the present).

The event was a well-attended, rewarding and revelatory experience, but as I argued elsewhere 'in their general unresponsiveness it also confirmed the deep disdain on the political left not just for nationalism but for any promotion of a Scottish perspective on culture and history'. The following year, however, the publication for the first time in English of a selection of writings from Gramsci's *Prison Notebooks* made it even clearer that he was a political writer and theorist whose ideas were of major significance to the Scottish situation. I put this proposition forward in *Scottish International* in November 1972.

It included Gramsci's now familiar notes on the relationship between the state and civil society, his analysis of the 'dense' civil societies of the politics of Western Europe, exposing how it was within the institutions and practices of civil society itself that much of the defensive mechanisms of the ruling social groups were embodied.

The 'complex structures' of civil society Gramsci likened to the elaborate defensive trench-systems of modern (i.e. WWI) warfare. It was an insight that helped to reveal how these structures could be strategically assailed and ultimately transformed, not through the prevailing idea of a seizure of power through a full-frontal insurrectionary assault on the state but, in Gramscian terms, 'through a war of position rather than a war of manoeuvre'.

In Scotland, I argued this had two important implications. Firstly:

While we have a homogenous British State, it must be noted that the organisations and institutions in civil society which comprise its bulwarks and defences have an azoic complexity the most significant feature of which for us is that civil society in Scotland is fundamentally different from that in England. What is more, much of our shared 'British' ideology manifests itself in Scotland, draws its vigour and strength from a specifically Scottish heritage of myths, prejudices and illusions.

The state, in short, in its ethico-political sense did not have the same external facade in Scotland as it did down south. The second implication and the key issue, was what were we, the left in Scotland, going to do about it. If the class-denying limitations of bourgeois nationalism were to be combated then it was essential that our arguments as to the reality of how power was exercised and how domination and subjugation were sustained should be articulated in relation to our specifically Scottish

situation. For as Gramsci observed: *every truth, even if it is universal ... owes its effectiveness to its being expressed in the language appropriate to specific concrete situations. If it cannot be expressed in such specific terms, it is a byzantine and scholastic abstraction, good only for phrasemongers to toy with.*

The urgent necessity, I concluded, was not to perpetuate the rootless presence of a branch left in Scotland but to nurture a specifically *Scottish left*, one organically grounded in our own distinct history and culture. So I argued '... if the new social order we strive for is to be a worthwhile and fitting signification of the past and future history of the Scottish people then the left *must* uphold and expound the merits of past achievements and the richness of our inheritance'.

In the early 1970s, following the demise of *Scottish International*, the idea of bringing together left-minded nationalists and Scotland-minded socialists and facilitating in some small way the development of a grounded Scottish left led to the launch of *Calgacus*, as a political quarterly with a particular focus on Scottish history and culture from a socialist perspective but it was not a success. An early involvement on another cultural front, with John McGrath, 7:84 (Scotland) Theatre and *The Cheviot, the Stag and the Black, Black Oil* was a different matter.

In subsequent studies of the play and its undisputed impact on Scotland at the time, the extent to which there was a distinct Gramscian influence on both the gestation of *The Cheviot* and on many of the subsequent productions of John McGrath and 7:84 (Scotland) tends to be overlooked. Yet as I recall, from discussions of content in terms of both historical events and related cultural material, exposing how power was maintained by a cultural order clothed in the 'common sense' values of Anglo-Brit hegemony was at the heart of all his Scotland-

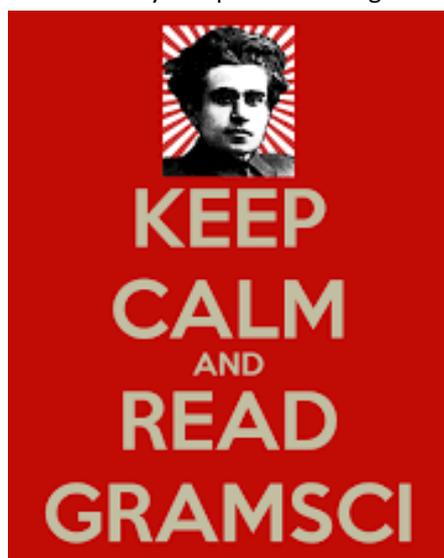
based 7:84 productions. Suffice to say that the power and enduring relevance of *The Cheviot*, in no small measure rests on the Gramscian approach it embodies.

That was all over 40 years ago. A great deal has obviously changed since then, not least in terms of our familiarity with Gramsci, and the 'uses and abuses' of Gramsci as it has been aptly termed. Yet when I reflect on the situation as confronted then with that we face now, I find a sad and seemingly irredeemable, similarity.

In the 1980s, there was a fresh advocacy of a 'Gramscian turn', one primarily associated with the late Stuart Hall in his critique of 'Thatcherism' and the early adoption of a neo-liberal agenda. Hall laid particular stress on the Gramscian concept of the historical conjuncture. Relating it to his analysis of Thatcherism, Hall argued that: 'Gramsci knew that difference and specificity mattered.' From this basis, therefore, the left should take a lead in applying the notion of difference by recognising 'the specificity of a historical conjuncture' and being aware of how different forces come together, conjuncturally, to create the new terrain, on which a different politics must form up'.

Hall and his associates were persistent advocates of 'thinking conjuncturally'. Political thought, we are told, required an ability to see the 'degree of openness or contingency' that was to be found in every historical conjuncture. In Scotland, there was a fundamental difference in our relationship to the institutions of the Anglo-Brit state. We had our own 'different politics' in an overarching discourse around the polarities of 'power devolved, power retained' or 'independence'. And, the 'new terrain' of our own specific conjunctural moment was that within and around debate within and around our reconvened parliament in Edinburgh. Yet ironically, deploying a Gramscian approach that recognised difference and had an awareness of distinct specificities within our discrete civil societies, was the very thing that the luminaries of the Gramscian turn

in English critical thought seemed irredeemably incapable of doing.



By 2011, this incapacity was even more pronounced. An influential survey of 'the long march of the Neoliberal Revolution' was singularly mono-focal. The 'open horizon' of the advocates of seeing the 'degree of openness or contingency' to be found in every historical conjuncture was evidently confined to a polity contained within the frontier remains of Hadrian's Wall. Despite the profound reverberations of Scotland's own different and distinct conjunctural moment within the UK polity, the crisis within the latter could only be framed in terms of the political interventions of 'English intellectuals'; the ideational history of 'English common sense'; the grand narrative of 'the English race'; the inherited beliefs that 'Englishmen were born free' and that 'England was the true home of Liberty' according to Stuart Hall. This was a return to the same problem faced in conjunctural moment of 1968: an all too familiar reiteration of a singularly myopic Anglo-Brit way of seeing that saw Scotland through a resolutely and appropriately Nelsonian blind eye.

A further laudable deployment of a Gramscian approach and key Gramscian concepts, in this case the notions of 'common sense' and 'good sense' flawed by a chronically impaired vision recurs in the 2013 'Kilburn Manifesto'. 'Common sense needs to be taken seriously', it proclaims. The left must not use the same language as the Tories. It needs to draw on the specificity of people's

'good sense' to shape a 'different politics'. These are exhortations reiterated in a dozen essays across a range of policy issues in which Scotland is not referred to once.

In the spring of 2017, notwithstanding the momentous political shifts of 2014 and 2015, within Corbynist Labour and the Anglo-Brit left generally, not least amongst 'the left in Scotland' in which the saturation of the 'common sense' of Britification is proving terminal, this resolute determination to deny that Scotland has its own historical, cultural and political differences and specificities seems as resolutely entrenched as ever.

As in the earlier era in which I began studying Gramsci, the Anglo-Brit left reaffirms itself as being more a part of the problem than of the solution. With a general election just announced, in the struggle of dominant, hegemonic and resistant, oppositional ideas, the specific historical and cultural terrain of Scotland and the key the media and political discourse will be the ground on which our Gramscian war of position will be fought. The effective mobilisation of a national-popular organically grounded *Scottish left*, across, within and without, all relevant political, social and cultural agencies will be the most effective and appropriate way in which the relevance of Antonio Gramsci to Scotland can be demonstrated.

Ray Burnett spoke at the recent Edinburgh People's Festival event called 'The life and legacy of Antonio Gramsci'.

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Let's make no mistake on Trump

Paul Magrati continues our critical examination of the Trump phenomenon

In February 2017, Scotland saw many a demonstration against the newly elected American President, Donald Trump. In Glasgow, Dundee, Edinburgh and Aberdeen people came together and shared their legitimate indignation against the Muslim ban and the racist contamination of the American diplomacy. Today, marches have stopped. Yet outrage is still high. From Trump's despicable abortion policy to the impulsive bombings he ordered in Syria, there are still many reasons to be angered and worried. I share this outrage, and I have no intention to criticize an anti-Trump sentiment which I think is required from all progressive people, in Scotland and the world over. Should new American events call us to the streets again, I would certainly join.

However, without criticizing I think we ought to be critical. During such times of turbulence, outrage can only go so far and we need to be hard-headed with ourselves. Trump's machismo, jingoism, islamophobia, homophobia and all the other phobias he carries with him certainly need to be tackled, put down and fought back. Fighting Trump is indeed a necessity, but we must do more and go further. Beyond our imperious anger, we, who diversely call ourselves progressive, liberals, socialists or left-wingers have to indulge in a new, more demanding, exercise: that is looking Trump with cold blood and right in the eyes. What is Trump? Has this question really been asked? I do not pretend to answer it. 'Trumpism' shall wait a

few decades for its first historians to be fully comprehended. What I can do nonetheless, and what we can all do, is to question ourselves about what we all seem to take so easily for granted: that Trump is a backward 'fascist' elected by millions of 'ignorant red necks', an 'evil monster' demanding the all-out expression of our hatred.

For, this has to be said, Trump is certainly a monster but he is not a fascist. Indeed, if we are to follow the famous line of Gramsci, he is the perfect example of those monstrous entities that emerge in the light and shade of history, when the past is dead and the future is yet to be born. Trump freezes us because he is an enormity, something that was not meant to happen and which is now here, overwhelmingly here, although we are still unable to define it properly. This is why many of us have succumbed to the alluring temptation of easy conceptualization. 'Trump is a fascist' they say.

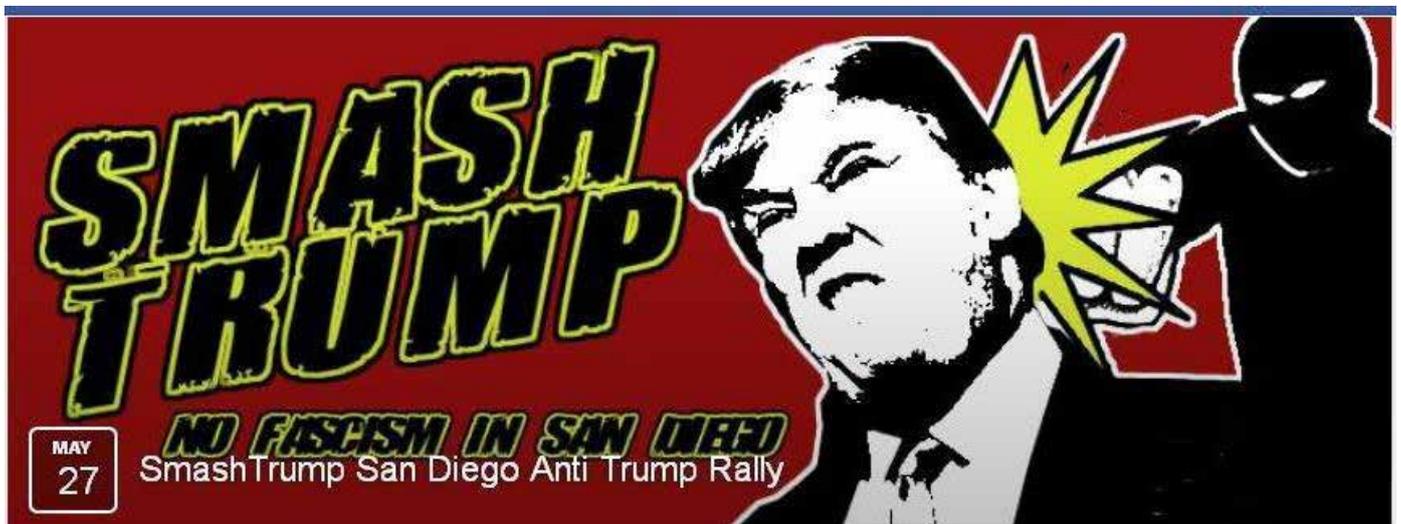
This sounds like a comfortable intellectual shelter. Fascism —and therefore anti-fascism— are two convenient words: they are reassuring, they have a clear history that enable us to think we are not getting off track, that the world is not that illegible after all, and that, just like Spanish Republicans, just like French resistance fighters, and just like the spitfires of the RAF, we are fighting a well-defined and monolithic enemy, much easier

to combat than an undetermined and contradictory entity.

However, beyond the convenient rally slogan, let's be serious: Trump is not a fascist. He is a manipulative leader backed by a few oligarchs, yet he has no organised party; he uses violent words, yet he has no militia; he is the head of State, yet he certainly doesn't worship the State; he has got scarce ideas, yet he has no ideology; he is racist, yet America didn't wait for Hitler to be racist; he is misogynistic and homophobic, yet the whole world didn't wait for Mussolini to be so; he is protectionist, yet he is domestically neoliberal; he puts America first but which US president has not?

No, Trump is not a fascist. He is an American and a twenty-first century monster; and as every monster, he is polymorphous and hard to name – if not unnameable. It is, therefore, no use putting our 1930s glasses on our nose to stare at Trump, for he will appear blurry and even less charming than he already is. To determine the best means of opposition, we must first be able to explain Trump accurately.

What might be useful, then, is to follow Gramsci, and simply look at the past world that has died with Trump's victory. Are we sure that the latter was much brighter? The reactionary world that Trump is about to build (hand in hand with Theresa May and maybe Putin) is the gravedigger of another, out of date, reactionary world,



inaugurated 35 years ago by Ronald Reagan (hand-in-hand with Thatcher and Deng Xiao Ping).

Although it is for the wrong reasons, Trump's victory is putting an end to the all-out deregulation and the world wide free market of poor-quality goods and wretched people. Certainly, this does not mean that socialism will soon be rising in the USA. On the contrary, Trump's protectionism, which goes back to the early twentieth century American economic model, is less concerned with the welfare of American people than with the protection of American capital. Nonetheless, reactionary as he is, Trump shows us that an alternative to the Washington consensus is possible. This is will be our job to make the most of it in a progressive way.

Similarly, Trump's victory was meant to announce the end of America's deadly world's police strategy and NATO's anachronistic post-Cold War existence. A few months later, the United States' bombing of Syria and worrying arm wrestling with North Korea seem to indicate that the new President has changed his tune on the matter. Trump is not the pro-Russian pacifist many thought he was. However, Trump's aggressive undertakings in the Middle East and in the Sea of Japan are unilateral decisions of the American government and are - so far - not relying on the commitments of European countries and other NATO members. Dangerous though those interventions may be, they highlight, on the other hand, that Trump is accepting the United States' important yet limited position within our new multi-polar world.

Unlike the Bushes (father and son) in Iraq and Clinton in Yugoslavia, the new President does not require the entirety of the 'Free world' to indulge in his militaristic frenzy. Surely, Trump's impulsive and contradictory character is unpredictable and may not follow this 'isolationist-interventionism' line much longer. If he does, however, one might consider it a progress and a chance for European countries to champion world peace out-with America's jingoistic influence.

Whatever happens next, Trump's victory has shown the world the dangerous yet unsurpassable nature of democracy. Invisible people whose lives have been devastated by globalization have reminded the world that their voice weighs the same as the polished opinion of some very liberal, very clever and very assertive New Yorker experts.

The world Trump is about to build is gloomy; but are we really to regret the one he is burying? Standing against the worst aspects of Trumpism is mandatory. However, we should not blind ourselves and elevate him as some kind of devilish icon that would disable us to understand what he is and which historical moment we are living in.

Let us not be the useful idiots of the ruined and failed globalized world. Let us not forget that Trump won in Detroit, won in Michigan, won in Ohio, just like Brexit was embraced by Rotherham, Sheffield and Middlesbrough. Let us not forget this and let us ask ourselves, frankly, what — in comparison to this — the meaning of Dundee and Glasgow East vote for Yes in 2014 really was.

Everywhere in the Western World, the victims of never-ending neoliberal policies — unforgivably accompanied by an imbecile social-democracy — are awakening from their daydream. In return, many monsters are appearing. However, these monsters are not exclusively nightmarish. We, on the Scottish left, have often a morbid delectation in listing the genuinely ugly monsters: UKIP in Britain, the National Front in France, the AfD in Germany, the M5S in Italy, Golden Dawn in Greece, and so on.

But in the contrasting light and shade of history, some monsters can actually turn to be beautiful and extremely promising. What about, for instance, Podemos in Spain, Mélenchon in France, Corbyn in England, and Sanders in the USA (who was the only one to understand that the old world was collapsing and, therefore, the only one able to defeat Trump)? They are new, robust, hybrid, unfamiliar-monstrous-political entities, yet our best hopes.

What about ourselves? In 2014, we were a progressive, popular, anti-racist and radical monster and we scared the same people who today are crying in the face of Trump. We shall not indulge in their thoughtless complaint. On the contrary, let the Scottish behemoth - our dream and their nightmare - grow, groan and roar again.

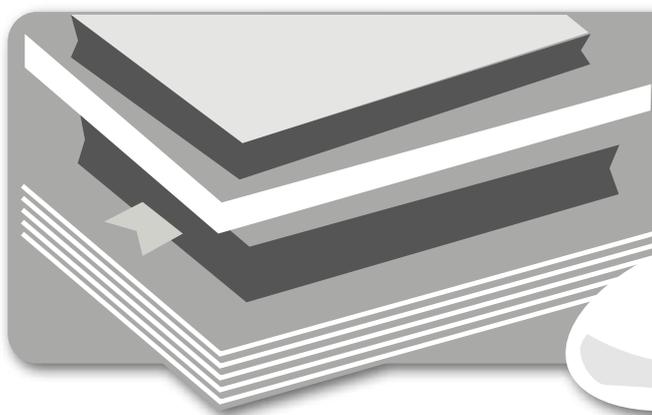
The world of Trump is also our world. This is the world of poor folks whose trust has been deceived by years of abandonment and failed promises. This is the world where despair finally speaks. This is the world of those that the BBC never shows but to mock, the world of so-called 'schemes' and 'red necks'.

Because we stand for all the poor people, whatever their colour or their gender might be, all the Trumps of the earth shall for ever be our enemies. But if we want to defeat them we have to embrace the world that makes them, because this world will also make us and is already regenerating the left throughout Europe. Let us cry with no Clinton, with no Cameron, with no Juncker: they are the old world. The time has come to look the beast right in the eyes and to sharpen our own claws.

Scotland can - and must - be one of the first places of this victorious fight. Last February's demonstrations showed that the energy is still there. If we are careful not to misinterpret the nature of our enemies, and if we stop sobbing together with the wrong allies, Scotland shall rise and prove lethal to any suchlike Donald.

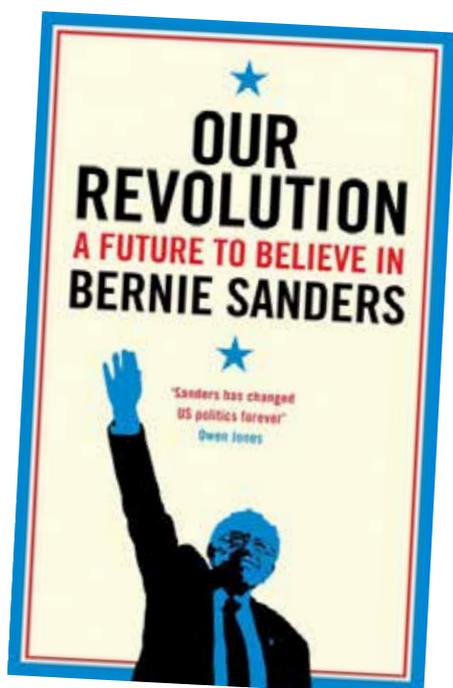
Paul Malgrati is a French PhD student at St Andrews University, working on 'Robert Burns's legacy and Scottish politics in the twentieth century'. He first campaigned for independence as an Erasmus student in 2013-2014 and is now a SNP member. In France, he has been campaigning for the Left Front.

- *In previous editions of Scottish Left Review (January-February 2017, March-April 2017), Gerry Friedman laid out the first contours of an analysis of Trump and Trumpism.*



Our Revolution by Bernie Sanders,

Profile Books, £14.99,
ISBN 9781781258538, pp304
Reviewed by Colin Darroch



Our Revolution chronicles Bernie Sanders political career over the past 35 years. He majors on his campaign for the Democratic Presidential nomination in 2016 and concludes with his *Agenda for a New America*. Sanders was born and brought up in Brooklyn, New York, the son of Polish immigrants. After graduating from the University of Chicago, he worked as a journalist for several Vermont State newspapers. He stood unsuccessfully as a *Liberty Union* candidate for the US Senate but was later elected as an independent mayor for the Vermont town of Worthington in 1981 with a majority of just ten votes.

His political journey had started in earnest. He created a number of Mayor's Councils including youth, the

arts, women, senior citizens, health care and tax reform. He instituted the largest infrastructure improvement programme in the state's history; developed some of the most innovative affordable housing developments in the country; and was named one of the best mayors in America by *US News & World Report*. Working class people were able to purchase their own homes from the Burlington Community Land Trust below market value. This housing remains affordable in perpetuity as the selling owners must agree to accept only a reasonable return on their original investment in lieu of current market value.

In 1990, he was elected to Congress as Vermont's sole representative. He was elected as an independent but was co-opted by the Democratic Caucus. He spoke out against the invasion of Iraq which was supported by Hillary Clinton in the Senate. In 1999, he accompanied some of his constituents to Canada to enable them to purchase medicines at a price they could afford - something that was, and still is impossible in the States where they have to pay the highest prices in the world thanks to the drug industry lobbyists. In 2006, he was elected to the US Senate with 65% of the vote. The defeated Republican candidate was the wealthiest person in the state. As a senator Sanders helped to create the *Defending Social Security* caucus which defeated attempts to cut payments to the poorest Americans.

Sanders began his campaign for the Democratic nomination for the US Presidency in April 2015. The mainstream media dismissed him as a fringe candidate but he managed to attract 1.4m to his rallies and millions more watched live on local cable TV stations. His campaign was financed by 8m individual donations averaging \$27 each. Most of this came via social

media. By June 2016, he had obtained 46% of the vote in the run-off against Hillary Clinton. The majority of his vote came from the under 40s who had been enthused by his campaigning on: a \$15 per hour minimum wage; closing tax evasion loopholes; breaking up the 'too big to fail' banks; switching from fossil fuels to combat global warming; justice reform including abolition of the death penalty; a jobs programme to put millions back to work; and tackling income and wealth inequality.

Alas the Democratic establishment prevailed and chose Clinton as their 'safe' candidate to take on Trump. This was probably inevitable. After all, Clinton was far better known than Sanders. She had stood against Barack Obama eight years previously, and was later appointed as his Secretary of State. She had also been active in her husband's two presidential campaigns. The Clintons had created their own think tank – *The Center for American Progress* and the international *Clinton Foundation*. They also had, by far, the most powerful fund- raising machine in the Democratic Party.

Although Clinton received 3m more votes than Trump, he picked up more support in the electoral college. We will never know what the outcome would have been if the Democrats had chosen Sanders. He has moved a generation to the left. Hopefully, his revolution is not over.

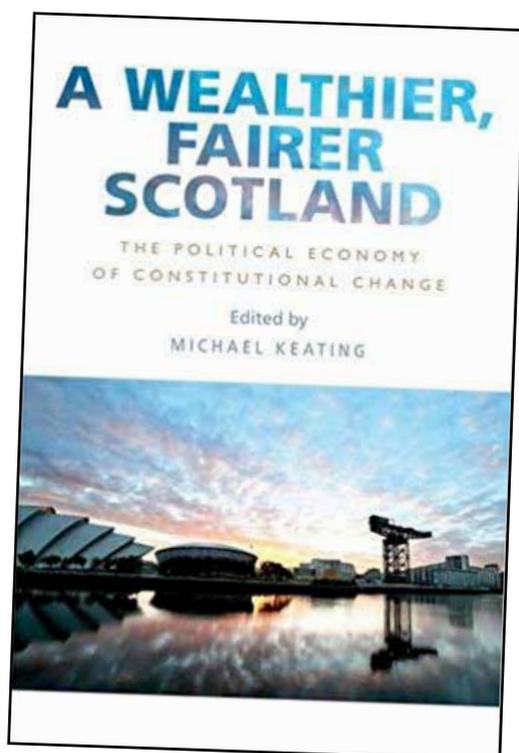
Colin Darroch is a former Glasgow District councillor

For more information and analysis on Sanders, see previous Scottish Left Review issues (no 95 Sept/Oct 2016 and no 97 Jan-Feb 2017) where US progressive, Gerry Friedman, writes.

A Wealthier, Fairer Scotland: The Political Economy of Constitutional Change,

ed. Michael Keating, Edinburgh University Press, £14.99 paperback, £75.00 hardback ISBN 9781474416436

Reviewed by Robin Jones



'The true way to give the Scots more control over their future,' wrote Margaret Thatcher in the *Scotsman*, is 'to cut back what government spends and controls, leaving more freedom of choice for the people.' Two days later, on 11 September, 1997, Scotland voted by the order of 3 to 1 in favour of a devolved parliament and what the former Prime Minister had described as 'more political interference, regulation and taxation.'

Received wisdom has long been that voters north of the border view taxation and public spending more favourably than the rest of the UK. *A Wealthier, Fairer Scotland*, edited by Michael Keating, maintains that this may not actually be the case. True, levels of support for increasing taxation and spending are 'at the core of the left-right division' but, as Keating notes in the first chapter, '[s]urveys have consistently shown that on measures of support for

redistribution, Scottish voters are only marginally to the left of England'. The perception of Scotland as a pro-taxation, pro-public spending society is a 'long-standing myth,' and the predispositions of the Scottish electorate may not, in fact, greatly differ from those of the rest of the UK. Indeed, Scottish attitudes may not be much at variance with those of people in the north of England at all; in this case it would be the south of England, not Scotland, that is 'the outlier.'

If the popularity of social investment and preventive spending is a myth, it is an enduringly fashionable one and certainly one that has long played a part in Scottish political discourse. But egalitarianism need not drive the electorate for this to be the case. Keating notes that '[r]edistributive policies do not come about because individuals altruistically desire to give away some of their income and wealth to others. They happen within particular social and institutional contexts in which citizens see a connection between the common good and their own individual interest'. In other words, voters are happy to make sacrifices in return for increases in the 'social wage,' most often in the form of public services with direct benefit, such as the NHS and education. Of these sacrifices, the one felt most keenly by workers is probably tax, and it is appropriate that the devolution of tax powers to the Scottish government, and the possibilities this brings, form the backbone of this book.

The broad aim of this collection of essays is, as Keating states, 'to explore the scope that Scotland has to achieve the proclaimed goals of economic growth and a reduction of social inequalities through the use of its existing and new powers'. Those goals necessitate 'a shift to social investment and prevention and a new positive-sum compromise.' A particularly compelling example of such a compromise is given by Craig McAngus and Kirstein Rummery in the form of 'supply-side childcare', i.e. childcare provided by the state as opposed to the present 'fragmented system' in which parents have to 'cobble together' their own childcare arrangements. Support for supply-side childcare is, they maintain, support for women's participation in the labour market and as such 'has the potential to

yield both long-term economic benefits and greater social equality.'

On this matter, the authors offer the familiar, and persuasive, example of the Nordic states, where childcare policy has long been a central component of welfare provision and has led to these states' high scores in gender equality indexes. In contrast, 40% of Scottish local authorities reported 'large gaps in (childcare) provision' in 2013. Given that 'over half of non-working mothers claim that they would engage in the labour market if they were able to gain access to affordable, high quality childcare,' the negative contribution such gaps make to gender inequality in Scotland is clear.

But, as Keating and Liñeira later acknowledge, Nordic welfare provision requires Nordic levels of taxation: '[i]f Scotland wants a developed, social democratic, social investment welfare state it will have to pay for it.' On the whole, the contributors to this collection of essays appear sanguine about the feasibility of this, for '[w]hile public attitudes to taxes and public spending matter, these are not immutable, and may be amenable to change in response to effective political leadership ... [t]he greater devolution of income taxation therefore does provide an opportunity to make real choices over the type of society that the Scottish people want, and a higher tax and spend economy is likely to be a more equal one.'

For that equality to become a reality those choices will have to be made and those discussions will have to be had. As Keating notes in the first chapter: '[t]here has been extensive public discussion of which powers to devolve but much less about what future Scottish Governments should actually do with them.' In publishing this book, the academics behind *A Wealthier, Fairer Scotland* have made a balanced, detailed contribution to the latter.

Robin Jones lives in Paris where he works as an English teacher. His fiction, articles and reviews have appeared in the Edinburgh Review, Gutter, Jacobin, the Dark Mountain Project and Huffington Post

Kick up the Tabloids

A three-day period at the start of June this year could decide the mod of the Scottish nation for the next four years and possibly longer.

As everybody knows, Britain goes to the polls in a general election on Thursday 8 June. Two days later, on Saturday 10 June, Scotland play England in a must-win World Cup qualifier at Hampden Park. It is difficult to predict which event is likely to deliver the more depressing result.

The prospect of five more years of Tory rule at Westminster is depressing in the extreme. But so too is the possibility of Scotland yet again failing to reach the finals of a major tournament, twenty years after we last qualified for one. The grimdest prognosis would be having the Conservatives in power for as long a time as it takes Scotland to reach another World Cup final stage. That vision of the future is truly hellish.

A matter of months after we were told that a General Election 'would not be in the best interests of the country' and only a few short weeks after we were informed that 'Now is not the time' for a second referendum, because 'politics is not a game', we are now told that the upcoming general election is going to be a 'vote on Scottish independence'. While that may appear as clear as mince, the message is that it is 'game on', basically.

Theresa May and Ruth Davidson claim Nicola Sturgeon is obsessed with indyref2, but the one party utterly obsessed with the issue are the Conservatives. Never a day goes by without Davidson or May resorting to the same set of well-worn clichés, such as: 'The UK as a country voted to leave the EU - there can be no special

deal for Scotland'. That attitude is like your landlord taking a shit on your doorstep and not allowing you to either clean it up, or move out.

'The last referendum divided families' so we can't repeat it. Did it? Can't we? Not in my experience. I don't know of any families that were divided by the referendum. However, I do know of two families that have been divided since 2014, because someone had sex with their partner's best friend. And in both cases, they did it more than once.

'Nicola Sturgeon should stick to her day job of running the country'. This attitude smacks of ridiculous small-minded parochialism. Do you think anyone ever say to Ghandi that he should ignore the idea of freedom for India and focus on making sure that the trains were not so over-crowded at rush-hour?

While it is unwise to put too much trust in opinion polls, there would appear to be a growing number of Scots who claim they are going to vote Conservative this June. Some people in Scotland seem amazed that there are Tory voters in this country. The reality is that there have always been Tories in Scotland. It's just that for the last thirty years, they've all been voting Labour or Lib Dem.

However, it beggars belief that anyone in Scotland could consider voting for a party led by Theresa May - whose arrogant and aggressive attitude towards us a nation is eerily reminiscent of the person who turned Scotland against the Conservatives, namely Margaret Thatcher. In my opinion, May is ten times as repulsive, because at least Thatcher had a personality. May appears to have been raised from the dead, as if some sinister experiment to re-animate Thatcher's corpse had

somehow managed to bring her back to life minus the charm and humanity.

If the Tories do make gains in Scotland, the post-match analysis in the right-wing press will so predictable it can almost be written now. If the Tories win any seats north of the border, it will be portrayed by the *Express* and the *Daily Mail* as a rejection of independence. If the SNP wins fewer seats than they did in 2015, the same rags will be interpreting this as the end of the line for Nicola Sturgeon.

The reality is, of course, somewhat different. The fact is that the SNP's high-water mark in 2015 of winning fifty-six out of city-nine seats is virtually impossible to replicate. This is very similar to Celtic's dominance in this year's Scottish Premiership, where they have wiped the floor with every team, particularly a Rangers side who will end up third, thirty-six or so points adrift of their rivals.

Theresa May winning ten seats from the SNP and claiming that was a rejection of independence is the same as Rangers coming second in the 2017-18 season, cutting Celtic's to twenty-five points and claiming this makes them the champions.

So if the SNP win four times as many seats in Scotland as the Conservatives in an election 'about Scottish independence', are the Tories going to grant us our freedom? Your guess is as good as mine.

Vladimir McTavish will be appearing at The Stand Comedy Club, Glasgow from Thursday 25th to Saturday 27th May www.thestand.co.uk

Scottish Rank & File

Unity is Power



The Rank & File was born out of an attack on the skills of electricians in 2011 by eight of the major mechanical and electrical construction companies in the UK. We have also been in the forefront in the fight against blacklisting with our partners, the Blacklist Support Group. We seek the adherence of collective agreements on all construction sites and recognition of all elected shop stewards and safety reps. The Rank & File, who is made up mostly of Unite members but also count members of GMB and Ucall among our ranks, are determined to change the face of construction for the benefit of working people by transforming the attitudes of companies in the industry to realise the benefits of having an organised workforce. To do this we need the assistance of clients such as the Scottish government, local authorities, NHS and Scotland's Universities and Colleges through their procurement processes, in line with the Scottish government's Fair Work Framework.

Together we can make a difference.

- Trade Union Recognition agreements on all construction sites
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- No blacklisting
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- No Bogus self employment or umbrella schemes
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