

Scotland United

1971—2021

*The Fight For a Radical
Scottish Parliament*





Nations & Regions: Radicalising the British State

Despite 21 years of devolution, the Tory Government’s handling of Brexit and Covid 19 has confirmed that the UK is one of the most centralised states in the world. But now it seems everyone is in favour of constitutional change – Tories, Labour, Lib Dems and of course, nationalists.

We should remember that constitutions are not neutral; they are devised to deliver for those in power, and in our society that is supporters of global capitalism. Keeping our markets open to international business through neo-liberal policies is imbedded in our legislation, in trade deals including that recently struck with the EU and could be enshrined in any future written constitution.

Claim the Future is hosting three sessions under the title **Nations & Regions: Radicalising the British State**. These sessions will bring together politicians, academics and campaigners from Scotland, Wales and Regions of England to identify the key demands for radical constitutional change that can bring power to the people.

<p>Session 1: Redistributing Power and Wealth</p> <p>Thursday 21 January 2021 4pm</p> <p>Pauline Bryan - Chair Jamie Driscoll - Elected Mayor for North of Tyne Neil Findlay - Member of the Scottish Parliament John McDonnell - MP for Hayes and Harlington Julie Morgan - Member of the Welsh Senedd</p> <p>https://www.eventbrite.com/e/135553773987</p>	<p>Session 2: Making a Radical Constitution</p> <p>Thursday 25 February 2021 4pm</p> <p>John McDonnell MP - Chair Arianna Giovannini - Reader in Local Politics & Public Policy De Montfort University James Mitchell - Professor of Public Policy Edinburgh University Paul O’Connell -Reader in Law SOAS London University</p> <p>https://www.eventbrite.com/e/135553998659</p>	<p>Session 3: Campaigning for Progressive Federalism</p> <p>Thursday 25 March 2021 4pm</p> <p>Beth Winter MP - Chair Mick Antoniw - Member of the Welsh Senedd Pauline Bryan - Red Paper Collective Mary Foy - MP City of Durham John McDonnell -MP for Hayes and Harlington</p> <p>https://www.eventbrite.com/e/135554520219</p>
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In 1968 Mick McGahey moved the position at the STUC Congress that Scotland needed its own parliament. He offered the vision of a workers' parliament. He was concerned about the increasing external control of the Scottish economy and the undemocratic imposition of investment decisions and industrial policy; he believed that a Scottish Parliament could stem rising unemployment and deliver economic sovereignty. The need for such a parliament became very clear only a few years later. On 30 July 1971, an anniversary we celebrate this year, 6000 jobs were threatened at the Upper Clyde yards of Clydebank and Scotstoun. Seven out of 10 UCS workers would have been thrown on the scrap heap. On 31 July the workers took over the yard and the rest is history.

But that history is important. Think what a difference it would have made to the crisis in the UCS and the many other struggles that have united the working class in Scotland since, if they had taken place in the context of a radical parliament of the sort McGahey had argued for.

A combination of trade union and community based action along with Scottish government commitment to use state aid, not just to save jobs, but ensure that the economy itself became more and more democratically controlled by the people of Scotland, could have transformed our country. Instead, as we see from contributions in the issue from Professors Byrne and Foster, our economy is in a dire state and we need a radical strategy to address it, while Mike Cowley exposes the limitations of the strategies offered by the 'radical' independence tradition.

The parliament that was created in 1999 has fallen far short of the kind of parliament we need in the days of footloose, vampire capitalism.

Indeed as Sean Griffin and Beth Winters explain, in order to give capitalism more scope for increasing profits across the UK, the existing powers of the devolved parliaments are being attacked, mainly but not exclusively, through the UK Internal Market Act.

Tommy Kane and Neil Findlay argue that if we are to resist the poverty and misery contemporary capitalism is inflicting on Scottish communities, we need appropriate powers at the appropriate level. This requires a more powerful parliament. They argue we can win consent for such a powerful parliament by having a third option on the ballot paper on any future referendum on Scotland's constitution and Professor James Mitchell shows in compelling detail how that democratic exercise can be undertaken fairly.

Claim the Future and the Red Paper Collective have organised a series of events to bring together people from Scotland, Wales, and the Regions of England. These will make the case for radical constitutional change at a UK level.

The fifty years since the UCS work-in and the current pandemic have surely shown us the need for the democratic control of the economy and power of solidarity across and within the regions and nations of the UK. A powerful parliament in Holyrood and powerful and united working class movement across the UK can deliver a better future, but only if we fight for it.

Reaction to a third option on the ballot paper in the event of an independence referendum has been instructive. Opponents, including some who have supported a multi-option referendum previously, have focused on three main arguments:

1. the third option has had its day and time has moved on
2. a third option would not provide a clear and decisive outcome
3. it is unclear what the third option is.

The strangest of all arguments is that the third option has had its chance. It has even been argued that it was on the ballot paper in 2014 in a curious effort to rewrite history. If the argument that an option has already been put to the people in a referendum relatively recently is to be taken seriously, then independence should not be on the ballot paper but some version of more powers has still to have its chance. If the argument that there 'has been a significant and material change in circumstances since the 2014' has validity then it cannot be restricted to the one option that has already been tested.

A third option would win

Back in 2012, Lesley Riddoch noted what she saw as the real reason that a third option was not going to be on the ballot paper in 2014, 'A third option has been excluded for one reason only: it would win hands down.' It would be foolish to predict the outcome of any future referendum but there is little doubt that opponents fear that such an option would allow people to express their first preference and draw support away from their second preference.

The crude binary referendum limits choice. It forces many people to opt for what they see as the least worst option and not for the best option. Democracy would be the real loser if an option likely to have widespread support was excluded.

The argument that a third option muddies the water and would prevent a clear result emerging falls for similar reasons. It is clear that the 2014 binary referendum did little to resolve the issue. There have been over 100 multi-option referendums held across the world and many lessons have been learned as to how best to ensure choice with a clear decisive outcome. The recent referendum on whether to replace the corrupt Pinochet referendum in Chile is a case in point. Only three months ago, Chileans were offered three choices in a referendum. They were asked whether they supported a mechanism to reform the

constitution and, simultaneously, in the event that a majority agreed how this should be done – either a directly elected constitutional convention or a partly directly and indirectly elected convention. In other words, the Pinochet constitution; a changed constitution by an elected constitutional convention; and a changed constitution by a mixed convention. Voters overwhelmingly endorsed change and a directly elected convention by 78% and 79% respectively. By posing three options in a series of binary questions it is possible to arrive at a clear result and one that provides more choice.

What is the third option

Unlike the other two criticisms, the third has some validity. If a third option is to be on the ballot paper then it will need to be defined at least in broad terms. For lack of a better term, we will refer to this as 'More Powers' though *radical* or *progressive federalism* are terms being used in debates in Wales and elsewhere. The status quo has an advantage in not requiring definition but any case for change must be clarified. This applies to independence which requires a complete overhaul since 2014 given the case for reopening the question rests so heavily on 'significant and material change' in circumstances. Brexit has indeed altered the debate substantially. It has highlighted divergent opinions north and south of the border but it has also thrown up major new challenges that supporters of independence have generally ignored. The argument that there would be a hard border between Scotland and the rest of the UK was grossly overstated in 2014 assuming, as seemed fair at the time, that Scotland and rUK would remain in the European Union. But the prospect of rUK leaving and Scotland joining the EU means that this border becomes very real. The economic and fiscal challenges in light of the pandemic also require to be addressed. It is clear that there are deep divisions amongst supporters of independence on these matters and these will need to be resolved and explained before any referendum.

More detail is needed

But so too with the third option. In 2011, supporters of more powers and supporters of independence were equally clear in what they wanted in broad terms. The Scottish Government's independence white paper of November 2013 filled in many gaps and provided a reasonable outline, albeit one that could be and was contested, of what independence would mean. This was a lengthy document despite the repetition and rhetorical padding. It will be incumbent on both change options to come up with more detail than currently exists. This

should not be rushed. There was no incentive to provide detail for a third option in 2014 as it had been excluded from the ballot paper. But there is no reason why this could not be done.

Other arguments against a third option apply with any change option. The notion that a third option would require Westminster's approval has some foundation but so too would having a simple binary referendum, a point that supporters of independence struggle to grapple with.

Few people seriously expect a referendum in 2021. Some politicians have asserted that a 2021 referendum is still likely some time this year but this seems designed to win the hearts of some SNP and independence activists. In their heads, these same politicians must know this is highly unlikely. We do not want a repeat of the rushed Brexit referendum which prevented proper deliberation on a complex matter. This is a matter that requires to be addressed with as

much information and with options analysed, tested and challenged thoroughly.

The case for a third option would widen and enrich debate. Having a third option on the ballot paper does not presuppose the outcome but the case for a three-option referendum is based on the principle of self-government.

Whether this leads to reforms across the UK will depend on the outcome of the referendum and views of people in rUK. But there is no reason to hold back on reforms in Scotland which, if Scots vote for a third option, could lead the way to a radical overhaul of the constitution as a whole. Support for a third option would not be dependent on an overhaul but would make it more likely to happen especially combined with the growing awareness of and grievances about the UK's highly centralised and dysfunctional system.

Some practical considerations

How can this be done in practice? In Chile on 25 October 2020 there was a referendum that asked the people whether a new constitution should be drafted. It also asked whether it should be drafted by a constitutional convention, made up by members elected directly for this convention, or by a mixed constitutional convention, made up in halves by currently-sitting members of Parliament and directly elected citizens. In other words it was a multi-option referendum

The "Approve" side won with 78% agreeing to draft a new constitution. On how the new constitution should be drawn up, 79% opted for a "Constitutional Convention" of members directly elected for this purpose.

A Scottish referendum based on the Chilean model could go like this:

Put status quo vs change

If status quo defeats both change options (independence/more powers) then status quo wins

If status quo defeats one change option (independence) but other change option (more powers) defeats status quo then the winning change option (more powers) has it

If both change options defeat status quo then these two options are put up against each other (independence vs more powers)

But an alternative way which may be better in the Scottish case:

First question:

Do you want to change the powers of self-government in Scotland?:

Yes []

No [] tick one box

Second question:

If there is to be change which would you prefer:

Independence []

More Powers (as agreed) []

tick box of your preferred option

If 'No' wins the first question then the status quo continues. If 'Yes' wins then the second votes are counted.

Tony Benn famously set out these 5 questions of democracy and urged all of us to ask them of those in power:—

1. What power have you got?
2. Where did you get it from?
3. In whose interests do you use it?
4. To whom are you accountable?
5. How do we get rid of you?

I have unashamedly plagiarised the great man's style but this time urged people to ask 4 fundamental questions on the future of our country.

1. What type of country do we want to create?
2. What powers do we need to create it?
3. Where should those powers lie?
4. How do we deliver them?

Keep these questions in mind as you read this article.

A constitutional political patchwork

If we survey the political and constitutional landscape of the UK we see a shambolic, hotchpotch of district councils, parish councils, unitary authorities, boroughs national and London assemblies, parliaments, metro mayors, police and crime commissioners, the house of lords, the house commons and go knows what else. The Covid crisis has exposed the often competing and incoherent ways in which these different bodies and their political leadership works. Who can forget the incredulity on the face of the Greater Manchester Mayor Andy Burnham as he gave a press conference about negotiations with the Government on lockdown support for his region only for an aide to show him a mobile phone message of what the Government was going to impose on the region he is supposed to be accountable for. That is no way to run a country in the 21st century.

Covid and Brexit have exposed the crisis in our local democracy and decision making. There is a palpable feeling across the country that decisions must be made more local and more accountable. Our towns and cities, regions and nations have their own distinct regional and cultural identity. Regional foods, accents, words, customs, art, humour, music are what makes our local communities unique, lively and vibrant. We are rightly proud and protective of them, we have connection and affection for the history, the landscape and the idiosyncrasies of them. In so many ways they survive in spite of the system not because of it. It is only because of human resilience, a driving sense of injustice and the organisational abilities and

determination of different communities of people that the grotesque failings of capitalism are resisted and at times rebuffed and our identity protected from bland homogeneity.

What type of society do we want to create?

The Covid crisis has brutally exposed the failings of the neoliberal system. Across the world even the most right-wing governments have been forced to accept that market economics could not answer the biggest question posed since WWII. What would have happened if there had been no state intervention across the UK to defeat Covid? Unemployment would be into the tens of millions, families would have been left literally starving and destitute, businesses would have closed in every sector, workers would have been left unpaid and in such circumstances there would have been a real threat to the complete breakdown of society and law and order as desperate, abandoned people tried to survive.

The reality is that the government was forced to adopt policies that run completely contrary to the philosophy. Massive state intervention shored up the economy, paid wages to workers to stay at home, sector after sector had tax payers money pumped into it where previously they would be left to go under. Projects were funded to feed the hungry, computers bought to help home educate children and subsidies paid to transport operators running empty buses and trains. In short the government resorted to a socialist, interventionist approach to deal with the crisis. This therefore begs the question if we can adopt a more socialist, caring, compassionate and inclusive society where the state steps in to support those in real need at a time of crisis, why can we do this in normal times to create the better society?

I want to see a society of full employment, where no one goes hungry, and every child has the same opportunity to learn and flourish, where public services are funded and supported to meet community needs and where we protect our environment for future generations. One where political power and decision making is returned to local communities with councils re-empowered and funded and no longer seen as just an administrative layer to take the blame for cuts handed down from above. I want a planned, regulated economy where human endeavour is applied to meet society's needs not to pursue the 'holy grail' of wealth accumulation.

What powers do we need to create it and at which level should these powers lie?

The basic principle on which I would answer this is based on this principle - that all powers be devolved to

the lowest possible level unless there is a logical and overwhelming reason not to do so.

Let's take two examples. First, drugs. To our national shame Scotland has the worst rate of drugs death in the developed world – it is therefore logical that all policy headings related to drugs be fully devolved to Scotland to address the crisis here. Why would we not do this? Scotland, Wales, Merseyside and every other English region should equally be able to develop policies to meet their local needs, pressures and circumstances. We can then hold Government and public bodies to account for their decision making and measure the success or failure of policy without them having anyone else to point the finger at.

Let's look at another area, the border. We live on a small island nation with a well-developed internal trading market with free movement of goods and people within our border. No one with any sense is arguing that this should end but we need to ensure that we maintain and develop the highest possible standards in areas such as food production, employment rights, consumer protection and environmental standards. So I would argue that it makes no sense to erect internal borders between the regions and nations of this island and that control of the border remains reserved at a UK level but we have the flexibility necessary to meet our own specific national and regional needs including immigration.

These are just two examples but if we systematically work through all powers then we can see the natural level of government for each power to rest. There will be debates and disagreement about where a minority of powers should lie, these can be resolved through negotiation.

Finally how do we deliver these powers?

I have long argued that we need a third option in any future constitutional referendum – one that is not the status quo nor independence. That option should be based on the maximum practical and beneficial devo-

lution of powers to the most appropriate level – subsidiarity as it used to be called. This option isn't a cop out or fudge. It is the most logical, practical and beneficial proposal for Scotland' long term economic, social and political well-being, with the potential to transform our country. I hear some say argue a multi option referendum is impracticable and is just a ruse to prevent independence and others argue that it is a copout to nationalism and would divide the anti-independence vote. It is neither, I would not be associated with it if it were. In this publication Prof James Mitchell of Edinburgh University explains how a multi option referendum could work in the Scottish context and how it would enhance democracy, perhaps leading to a re-think of the UK constitution.

I have now answered my own four questions, I would ask readers to consider them and answer them too and once you have done so I hope you'll accept that whether you believe in independence or Devo Max then there is much more that unites us than divides us. We can build on that by coalescing around a campaign for a multi-option referendum.

Will our leaders rise to the challenge?

In the 1990s some nationalists and socialists we are able to set aside their differences and come together in the 'Scotland United' campaign for a multi-option referendum. It is my belief that this is what is required now, it needs us to set aside tired hostilities and put down the boulders we have been lobbing at each other for decades and work on a set of common principles that build unity around that call.

It is clear that Boris Johnson has no intention of conceding a referendum to the SNP and that they have no plan B. However faced with a cross-party, united call for a multi-option referendum Johnson is in a much more difficult position.

My final question is whether our leaders will rise to the occasion or retreat into the trenches and reach for more boulders?

A few years ago, as part of a research and policy development project on health inequality in Scotland, I attended a meeting in North Ayrshire. It brought together different community organisations made up of local people and was one of the most powerful meetings I have ever attended. The testimonies revealed the power of community organisation but also the hopelessness of so many of those living with the devastating effects of a broken economy and endemic poverty.

My notes afterwards said:

The impact on (our) young people is nothing short of tragic. The contributors to our meeting spoke of the difficulties facing them. How young people are ostracised and moved on by the police but with nowhere, and no recreational services, to go to; the minimal employment opportunities available to young people, where the work that is available is characterised by low pay, zero hours and insecurity; where welfare cuts have sapped the confidence of young people so affected by constant rejection from jobs (that don't exist) such that they give up looking and are sanctioned as a result; where stress and mental health issues "are going through the roof" yet mental health service provision for young people is abysmal (sometimes waiting 2 years for a psychiatric appointment) and suicide is increasing. The consequence is that people have a "greyness about them", "a deflated-ness", "a hopelessness" and "a helplessness."

That hopelessness has not gone away. But the focus on dealing with these fundamental problems has. Scotland is in a reductive debate that has engendered a state of political paralysis, framed around the constitutional question, which pays peripheral attention to how we build a better Scotland and what must be done to accomplish it. Today's focus is much more on where powers lie, rather than what powers and what political approach is needed to build a better country where everyone is looked after from each according to their ability to each according to their needs. James Mitchell in his excellent Jimmy Reid Paper was right about that and in his observation that when thinking of all of the constitutional options 'the primary foci should be on how to improve citizens' wellbeing'.

Concentrating minds on this is needed now more than ever. Scotland and the rest of the UK is undergoing an economic shock the likes of which we have not faced in our lifetime. Yes, caused by the global pandemic we continue to live in the midst of, but also by the type of economy we have lived with these past 4 decades, which has left us exposed and ill-equipped to deal with the public health emergency and the economic aftershocks from it.

On top of the public health crisis and recession, predicted to be the worst in 300 years, we have the climate crisis, the constitutional question and Brexit also to contend with. Developing a progressive vision for our society, whatever the constitutional framework that's in place, was always imperative. Now it is more urgent than ever. And it requires the involvement of all progressive forces joining together to fight and argue for it no matter where they stand on the Scottish constitutional question.

During this tragic period the Tory Government, under the cover of Brexit and the virus, have undermined devolution. The Internal Market Bill has shown contempt for the Scottish Parliament and the Tory agenda to erode the powers of, and circumvent the Parliament is obvious. Meanwhile they are as always serving the interests of what has become known as their chumocracy, as they corruptly plunder public money and divert to their wealthy connections via dodgy public contracts. Including contracts that quite literally steal food from hungry children's mouths. The Brexit trade deal has fired the starting gun on a free market free for all that will see the Tories lower tax, increase private ownership, punish workers with low pay and insecure contracts, strip away protections and continue their assault on public services.

The time is ripe to present a different economic model for Scotland and the UK; no matter the constitutional arrangement. One that argues for investment in and the creation of an economy that serves the interests of, and protects, working people, the vulnerable, renews and builds public services, expands common ownership and develops Scottish industries as part of an industrial strategy. Now is the time to be bold and outline the need for a socialist economy.

The status quo is broken

What is certain is that constitutionally, politically, economically and socially the status quo is broken and has been for a long time. Its failing people and its quite literally killing them too (long before covid).

Too many communities and people are (to coin a

phrase) being left behind and living from hand to mouth on a day to day basis. The recently published UK Joseph Rowntree Foundation Report from January 2021 reported rising destitution and extreme hardship and how this was occurring before the pandemic¹ and which is having increasingly detrimental impacts on vulnerable children and families across Scotland².

There are nearly a million people in Scotland living in poverty, including 150 thousand older people and 230 thousand children, a quarter of all children³. Of the children 2 thirds of them lived in a house where at least one person worked.⁴

The health and well-being of our children suffer as a result. Three year olds in households with incomes below £10,000 are two and a half times more likely to suffer chronic illness than children in households with incomes above £52,000. While there are strong links between the experience of child poverty and poor mental health. Some studies suggest that children living in low-income households are nearly three times as likely to suffer mental health problems than their more affluent peers.⁵

Scotland in 2021 is a country where wages are so low that working parents struggle to provide for their children and often lack the ability to provide basic needs. Where pensioners do not have the means to see out their lives in dignity. Where the future of so many of our children is already mapped out in the womb, where educational attainment differentials don't change from the nursery to secondary school and where mental illness is exponentially rising. Where the right to basics like shelter, food, and warmth, are left to the market and often out the reach of the poorest.

Powers and change must have a purpose

The Red Paper has always argued that powers and change must have a purpose. The purpose of the Scottish Parliament has clearly not realised the ambitions of the late great Mick McGahey for a 'workers parliament'. Timidity has marked its first 20 years, characterised by warm words rather than robust action. This is nowhere truer than the feeble attempts to build a fairer economy with a Scottish Parliament and Government prepared to intervene in the Scottish economy with the powers it has to create and sustain jobs through direct economic intervention.

The Scottish Parliament has at best paid lip service to tackling some of our national shames; including the persistence of health inequalities where life expectancy differentials are amongst the worst in the western world and rival those in some third world

countries. Some will say Scotland doesn't have the powers to intervene. This is not so. Joe Cullinane's North Ayrshire Council Community Wealth Building agenda, through direct intervention, has achieved more in 2 years than the Scottish Government has in 14, despite the best attempts of the Scottish Government to strip away powers from councils across Scotland.

The current SNP Scottish Government has presided over decline. It's foremost ambition is to end the British state not child poverty. The problem for those on the left advocating full independence is that the SNP ambition is not even to end child poverty when and if Scotland does become independent. More than that however there are serious qualms about what type of economy they intend to create and what resource would be available to tackle Scotland's various social and economic problems. A concern confirmed by the Scottish Government's own Growth Commission. David Byrne in the last Red Paper publication called the Growth Commission (SNP) vision correctly:

*"What the SNP has in mind is a neo-liberal independent Scotland with worsening austerity"*⁷

To be fair socialists in favour of independence recognise this and also the weakness in the economic case for independence that the dominant SNP have never satisfactorily addressed. Last year the Fraser Allander Institute wrote of the economic challenges facing Scotland if it ever did become independent. Of how a new Scottish currency (something that is now SNP policy), would have to raise significant reserves to back it up. Whilst at the same time dealing with the shortfall between spend and revenue. Meeting the requirements of a new currency and adjusting the public finance would, they said, require 'significant restraint' in public spending.⁸

The working class could pay the price for independence

It is easy to see how an independent Scotland could well see the working classes pay the price. In the guise of cuts to wages, declining public services, pensions jeopardised, rising taxes and their companies and workplaces sold off to foreign firms whom the SNP see as central in driving the economy of an independent Scotland. In fact the Scottish Government see foreign direct investment today as conduit to growth that will somehow trickle down to the rest of us. For example in our renewables and wider energy sector, in foreign capital investment in public contracts via the Scottish Futures Trust and in our financial services sector, for instance through

the new en-vogue niche industry of Fintech (Financial Technology) .

State intervention is an alien concept

Meanwhile attempts to develop a green industrial strategy where Government has a say and directly intervenes and where it sees common ownership as a natural and correct policy position, is an alien concept. Helping the workers at Bi-Fab quite obviously came way down the list of priorities compared to the efforts being made to attract capital to Scotland. For example the case of Fintech where efforts are being made to make Scotland a hub. The productive capacity and beneficiaries of this focus however is questionable. Given one focus is on how to automate the delivery of financial services. It may well enhance profit for the owners but it could in all likelihood reduce jobs for workers in the financial services sector.

Scottish Government has been captured by big business

Fintech exemplifies how the current Scottish Government has been captured by big business and private capital; manifested through the open door policy given by the Scottish Government to Scottish Financial Enterprise (SFE) and the importance given to the Government created Financial Investment Services Advisory Board (FISAB). It seems the Scottish Government have walked through the trap door that considers private interests the same as the public interest.

Nowhere is this more obvious than in the Scottish Government created Enterprise and Skills Strategic Board. Chaired by a senior corporate lobbyist, Nora Senior, whose day job is for Weber Shandwick (its British client list includes the likes of Raytheon, News International, Amazon, JP Morgan, Scottish Power Renewables, SERCO⁹...) the board's remit is to essentially ensure public policy in education and training is tailored to meet the needs of business.

Evidence from behaviour now, notwithstanding the vision presented in the Growth Commission, indicates clearly how the SNP Scottish Government may well want to change the political status quo but they have no intention of trying to change the economic status quo. The problem is that in changing the political status quo, via full independence, they would fundamentally diminish whatever bargaining chips Scotland has with the international capital houses that already help call the shots in Bute House. How is the current focus of the Scottish Government, let alone a post independent Scotland and all the economic challenges it would bring, going to help the future prospects of young people in North Ayrshire

and beyond?

The sterile binary debate is not good enough

If we are thinking about the future well being of people in Scotland it seems that the stale, sterile binary debate currently on offer is selling out the people who need change the most. Neither option: the political and economic status quo versus change to the political status quo but retention of the economic one is offering the answers and change Scotland needs.

If not the status quo and if not independence then what? First there has to be a change in political thinking and ambition. Post covid tinkering just won't do. Too many people struggled and were in suffering before the virus. There must be an end to the supine embrace of and capitulation to the shadow elite, with instead a fight to popularise a political and economic vision that challenges wealth and income disparity.

This can be started under the current arrangements. The Scotland Act Scotland allows the creation of new taxes. If for instance there was the political willingness, then a wealth tax could be introduced. Albeit it would need to be agreed at Westminster via an Order in Council as required under section 80B of the Scotland Act. Some have previously raised doubts about this but as Patrick McGuire of Thompsons Solicitors said in 2017 'Constitutionally, if the Scottish people called for an Order in Council under s80B that Westminster refused we would be at a crisis that no one would want or tolerate' and if ' If there is political will, there will (good that) be no problem'

If a one off payment or annual and how we assess wealth would have to be worked out but in a country where the wealthiest 1% of private households own more wealth than the bottom 50% it seems obvious, especially in rebuilding our economy post covid, that we should get to work on sorting that detail. The fact its never been considered by any Government shows how captured Scottish politics is by the interests of capital.

We could also use procurement to ensure every public pound spent drives up pay and terms and conditions in the workplace and indeed the ethical standards of employers whether that be in ensuring they pay their taxes and not blacklisting workers.

Community wealth building

We could focus on Scotland wide community wealth building based on the Preston model described by John Foster in his article in this publication. Common ownership could become the norm and we could allocate more focus and attention on developing

publicly owned renewables projects in Scotland instead of encouraging the selling off of our wind farms projects to private capital, which sees most of the profits and benefits blow right out the country and into the plush boardrooms of banks and private equity firms across the world.

New powers that we could argue for include powers over (increased) borrowing to pay for a green industrial strategy, employment law (where we can only go beyond not below minimum standards) and over drugs law. All of these could be introduced as part of a wider new federal state where the current structural inequalities in wealth and power distribution are addressed across the UK. But also here in Scotland where there is a power imbalance between central and local government as a result of an aggressive centralisation policy deployed by the SNP Government over the past 14 years.

We need a new conversation

A new national conversation and a reframing of the constitutional debate is urgently needed. Politics is about priorities and our priority in these darkest of times has to be thinking about how best to protect and change the lives of everyone now. We should also consider what future constitutional vehicle is best, and what powers we need, to tackle Scotland's wide array of social and economic challenges. The status quo won't do and neither will the SNP vision (which frankly given current political conditions is way ahead of all others at this stage). There is another way. A third constitutional option that will be the socialist and progressive option. The option whose purpose is

to end poverty, not sustain it and make it worse. Its time to flesh that out, working back from an understanding of what powers we need to accomplish our objectives and then when we do make sure that this socialist, third option is on the ballot paper in any future referendum.

1. Destitution in the UK 2020, (December 2020) Report by the Joseph Rowntree Foundation. Available online at <https://www.jrf.org.uk/report/destitution-uk-2020>

2. Challenges from the Frontline – Revisited, Supporting families with multiple adversities in Scotland during a time of austerity, (September 2020),

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In his 1976 Richard Dimbleby lecture at the BBC, the late Quentin Hogg (later Lord Hailsham) warned against the dangers of the British state being captured by an elective dictatorship. He rightly noted that the only limitations on the sovereign will of Parliament are political and moral, not legally binding.

Alluding to the UK's political constitution, he pointed out that the only limitations on this power "are found in the consciences of members, in the necessity for periodical elections, and in the so-called checks and balances inherent in the composition, structure and practice of Parliament itself".

This power to which Hogg was referring is of course the Sovereignty of Parliament; the foundational principle of British constitutional law which, although the subject of debate, remains, in theory at least, absolute. Hogg was more concerned with what he perceived to be the anti-democratic nature of governments with slim majorities being able to control Parliament (not least the Wilson government at the time of his lecture). However, it is suggested that his borrowed term, "elective dictatorship", is an apt description of the British constitution from top to bottom immutably for all time, not a fleeting epithet applying to one government at a particular point in history.

The British state is one of the most centralised in the Western world. All ultimate sovereign power is concentrated in and exclusive to the singularity of the Sovereignty of Parliament. Like a democratic black hole, all power, control, and checks and balances in the body politic are swallowed up by the Crown-in-Parliament. Nothing can escape its authority, and no one can challenge it.

One may argue that in a parliamentary democracy, this is the way it ought to be. A democratically elected legislature with supreme and unassailable law-making power should be sacrosanct (leaving aside the absurdity that is the House of Lords). The trouble with this theory is that in practice the chokehold the government has on Parliament means that Parliament's will is effectively the government's will and a British Prime Minister with an overall majority in the House of Commons has in effect untrammelled constitutional power. In a time when the thought of a government with a conscience smacks of farce and when the hope of a Prime Minister following any moral code whatever (other than ruthless self-interest) looks tragic, an elective dictatorship has

taken root and will inevitably lead to the withering of the British state. It is not now enough to trust the morals and consciences of politicians, if it ever was. Major surgery is required.

Prorogation, Parliament and the Rule of Law

Even when the Prime Minister does not have Parliament in the bag, our democracy remains under threat. The lack of a codified and legally entrenched constitution and the inherent institutional weaknesses in our system of government make it uniquely vulnerable to abuse and eminently amenable to the autocratic tendencies of some of our contemporary political leaders. We need not look far for examples.

Amid the night fog of the Brexit uncivil war and the smell of napalm in the morning, the current tenant of No. 10 Downing Street, Mr Johnson, unlawfully advised the Queen to prorogue Parliament on a whim for an unprecedentedly-long five-week period during the autumn of 2019. Even in normal times, any state that allows the executive branch of government to arbitrarily suspend the democratically elected legislature when it feels like it would surely earn the colonial slur, "banana republic". But it appears when it comes to the Mother of all Parliaments, not so much as an eyebrow is raised. We have a gentleman's agreement, after all. Nonetheless, the autumn of 2019 was not normal times.

The UK was facing the most significant constitutional change in the last half century and arguably the most important political decision since the Second World War as it exited the European Union and mulled over its future relationship with the bloc. Parliament was deadlocked and in uproar as the UK hurtled towards a no-deal Brexit on the "do or die" Halloween deadline. The Leader of the Opposition considered tabling a motion of no confidence in the government. Johnson said he would simply ignore it and refuse to resign, hold the nation hostage, crash out of the EU without a deal, and call an election the following day. MPs threatened to pass legislation preventing a no-deal outcome. Incredibly, the man who is now responsible for the constitution, Michael Gove MP, suggested the government might ignore the law and crash out

constitution, Michael Gove MP, suggested the government might ignore the law and crash out anyway. Not one gentleman was to be seen.

Thanks to the royal prerogative, however, Johnson did not really have to worry about democratic process getting in his way; he couldn't win over Parliament so instead he muzzled it by shutting it down. Happily, in *Miller and Cherry* (2019), the Supreme Court set the record straight and ruled Johnson's advice to the Queen to prorogue was unlawful. But too little too late for the jeering and booing hordes of MPs who were forced to chaotically vacate the Palace of Westminster to renditions of Scots Wha Hae and Calon Lan.

Breaking the law

Still, it's not the first time the UK Government has acted unlawfully in exercising the amorphous royal prerogative. This is old hat for the current crop. The administration of Theresa May attempted to circumvent Parliament by triggering Article 50 TEU to commence the Brexit withdrawal process using prerogative powers, bypassing the need for any parliamentary vote or scrutiny. Thankfully, again, the Supreme Court in the *Miller* case (2017) reminded the government that Ministers of the Crown are still accountable to Parliament and primary legislation was therefore required. Phew. Unfortunately, the case presents other problems for the constitution. More on that later.

The abuse of prerogative powers, the shutting down of Parliament, Prime Ministerial threats to refuse to resign, and suggestions that ignoring the law may be legitimate by members of the Cabinet are only the tip of the iceberg. More recently, the Northern Ireland Secretary, Brandon Lewis MP, admitted to the House of Commons that the Internal Market Bill as introduced would break international law, but "only in a specific and limited way". Astonishingly, and shortly before resigning, the Advocate General for Scotland attempted to argue that it did not breach the rule of law. It was a very odd interpretation. Apparently it's acceptable to break the law so long as you do it in a way that is limited and specific. I'll remember that one.

All credit where due, in a sense Lewis was right. The Bill would have given Ministers powers to make regulations about state aid and customs procedures for trade from Northern Ireland to Great Britain, and would allow Ministers to make regulations inconsistent with the UK's obligations under the Withdrawal Agreement. The existence of those powers was a breach of Article 4 of the

Withdrawal Agreement, which provides that the the UK must use primary legislation to give full effect to the Agreement in domestic law. However, unless the powers were actually used, the UK would not be in breach of the state aid and customs provisions of the Northern Ireland protocol.

Undermining democracy

Notwithstanding this, the Bill did break international law and laid the foundations for more serious infractions that were not so specific or limited. If the powers under the Bill had been used to override the state aid and customs provisions of the NI protocol, these would have been breaches of substantive obligations undertaken by the government, which the EU may have considered to threaten fair competition and the integrity of the single market. Moreover, even breaking the law in a "specific and limited way" was hugely damaging. The UK has traditionally stood up for international law on the world stage. Calling into question the UK's commitment to the rules-based order, even in the abstract or in principle, and even over a "limited" issue, undermines democracy and the rule of law at home and abroad.

Existential crisis

The over-centralisation of power in an elected dictatorship in Westminster, the abuses of the royal prerogative, and the cavalier disregard for the rule of law are all merely symptoms of a much deeper malaise. The post-imperial relic that is the British state faces an existential crisis. As the largest set of elections in living memory approach in May 2021, the prospect of a second Scottish independence referendum is back on the horizon and support for independence sits comfortably and consistently above 50% of voters. It is hardly surprising that support for independence has increased. Not only is the UK leaving the EU which in itself is damaging enough to the case for the Union, the elective dictatorship in Westminster has treated the devolved nations with contempt throughout the Brexit process.

The Sewel convention has no legal effect

Turning our attention back to *Miller* (2017), while the Supreme Court corrected the abuse of the royal prerogative, the court also held that the Sewel convention has no legal effect, nor is its use or non-use subject to judicial review. Reflecting the Sovereignty of Parliament discussed earlier, the court said that the convention is a rule of political practice, not a rule of law, all this despite the convention being enshrined in the Scotland Act 2016. This means that the UK Parliament is able to legislate even where the legislative consent of the Scottish Parliament is withheld. The UK is in a bizarre

position, therefore, where Acts of Parliament may be unconstitutional but nevertheless still lawful. The effect of this is that the devolved nations have had no real say in the Brexit process from the start.

But that was just beginning. The UK Government has sidelined the devolved nations throughout the Brexit negotiations. In June this year, the Committee on the Future Relationship with the European Union noted that there has been just one meeting of the Joint Ministerial Committee (EU Negotiations) since the UK left the EU on 31 January 2020. The Committee concluded that the JMC (EN) is not being used as a serious forum by the UK Government and that the devolved administrations have had no genuine opportunity to input into the overall strategy of the Brexit negotiation talks. When it comes to the repatriation of powers too, the elective dictatorship in Westminster has bullied the devolved nations and dictated the way forward.

Grabbing powers

Rather than powers currently held by Brussels falling within devolved competence being repatriated on a direct route to the devolved nations, initially the plan was that some of those powers were to be pocketed by Westminster in a cynical power grab, with no consultation with the devolved administrations. Now, the proposal appears to be that the powers will be relinquished by Whitehall and given to the devolved nations but with a caveat: the Internal Market Act. The principles of mutual recognition and non-discrimination under the Bill mean that regulations from one part of the UK will be recognised across the whole of the UK and that there will be a level playing field for companies trading anywhere in the UK. There may also be the creation of an

independent body to monitor regulations passed in the four home nations to ensure that they do not diverge in a way which would create barriers to trade.

The inevitability of a constitutional collision

However, the devolved nations are concerned that such provisions may lead to a lowering of standards in certain policy areas including in food and drink and the environment against the will of the Scottish Parliament. An example would be the minimum pricing on alcohol in Scotland which may be considered a barrier to trade under the Internal Market Bill. While this would all be subject to Sewel, as we have seen, this does not provide a real constitutional safeguard. In the absence of institutional architecture to resolve disputes and reach collegiate decisions, this looks to be a sure-fire route to further constitutional collisions.

A New Settlement

All of the above demonstrates the agonising need for radical constitutional reform and democratic renewal to redistribute power across the country and to ensure better governance across the UK. Power is hoarded in an elective dictatorship in Westminster, our lack of a codified and legally entrenched constitution makes our democracy and the rule of law especially vulnerable to attack, and the devolved nations need greater powers and a stronger voice at Westminster, perhaps through a Senate of the Nations and Regions and a Council of Ministers. The English regions also have been bullied and marginalised by Westminster for too long, as has been evident in the recent handling of the COVID-19 pandemic. Any new constitutional settlement must also therefore address England and its place in the UK. Failure to act now could spell the end for the United Kingdom.

Wales has a radical tradition – from the first raising of the red flag above Merthyr Tydfil during the Chartist era to the establishment of the National Health Service – an inspiration taken from Tredegar – a village in South Wales – to the UK as a whole by that well-known Welsh MP, Nye Bevan after whom I named my first son.

Wales is continuing in that tradition, with this being the 21st anniversary of the establishment of a Parliament – renamed the Senedd this year – for Wales, with a Labour led government throughout that period. Indeed we are the only nation in the UK that currently has a Labour Government.

Clear Red Water

Many of the more radical policies have been pursued by this Government, with a declaration during the Blair years by our then First Minister, Rhodri Morgan, of the need for clear red water between Wales and Westminster. And my call continues to be for clear red action, which like Rhodri Morgan's clear red water speech emphasises that services should be free at the point of use, universal and unconditional.

Devolution is not an 'academic' matter – it has very real consequences for people and we've got a lot to be proud of. We've protected the NHS from much of the privatisation that has affected England and maintained free prescriptions. Wales' devolved parliament was the first in the world to pass a Climate Emergency declaration, although Scotland may want to argue this point, and we have the best rates for domestic recycling in the UK. We were first with the Wellbeing of Future Generations Act (2015) which was instrumental in preventing the building of the M4 relief road in Newport and, in the spirit of that legislation, the Welsh Government passed a bill allowing 16 and 17 year olds to vote in Welsh elections.

Wales is also helping to lead the way in developing an inclusive, largely foundational, economy taking a social partnership approach to promote fair work that safeguards workers' rights and conditions, encourage locally based procurement policies and promotes the principle of public investment and employment with a social and community purpose. We've also have the Development Bank of Wales which is a unique lender to businesses in Wales set

up by the Welsh Government to support the economy of Wales by making it easier for businesses to get the finance they need to start up, strengthen and grow.

In 2017, the Welsh Government passed the Trade Union (Wales) Act, welcomed by the Wales TUC as another step in the direction of partnership working in the public sector as it disapplied sections of the Trade Union Act 2016, like the provision that requires a 40% ballot threshold for industrial action. A later amendment also maintained the prohibition of use of temporary or agency workers to cover industrial action

However this has been done against a background of a complete lack of adequate funding. A decade of brutal austerity has stripped Welsh councils of £1.6billion from their budgets¹. The Barnett formula is ill-equipped to meet Wales' funding needs. Throughout this pandemic, an estimated £526m of Welsh Government revenue spending has not been covered by Barnett consequentials². So we still suffer the problems of poverty and deprivation and inequality that the rest of the UK faces.

Taking away our control

All our good work is at serious risk as the Tory government moves to centralise power and ride roughshod over the devolution settlement. This Tory Government leadership said during the Brexit campaign that if we left Europe we would take back control. But the opposite is happening as exemplified by the UK Internal Markets Act. Instead of enabling communities and nations within the UK to take back control, it completely undermines the devolution arrangements and any flexible approach to meet local and national needs. It will prevent devolved and local governments from pursuing economic differences that meet the public policy objectives of the regions and nations of the UK.

We in Wales had strong objections to the Act precisely because it endangers these public service objectives that Welsh Government holds dear. We also have high standards for agriculture and the environment – all of this is threatened. But above all – the Act threatens the very principle of devolution and local control and democracy. Wales understands these principles as being central to being able to develop a society, an economy and a country that is

able to identify, understand and meet the needs of its people.

The Internal Market Act will drive a race to the bottom by harmonising standards in such a way that it gives UK Government the power to overrule the devolved nations. Experience tells us that this Conservative Government has repeatedly refused to commit to higher standards in legislation. There has not been the kind of negotiation or involvement or informed consent to any of this with the devolved nations.

While it is important, as the UK leaves the EU, for us to have a system to harmonise standards across the 4 countries, any internal market legislation should have looked done the least possible on a centralised basis and as much as possible on a decentralised basis. And, anyway, as in the view of the Senedd, there already exists a successful regime in the form of the Common Framework to form the basis of all future arrangements.

Driving down standards

This attempt to harmonise standards throughout the UK is, in fact, an attempt to replicate the EU's internal market but with some crucial differences. In the EU dispute resolution is independent and it is done in such a way that it prevents the bigger members being able to force smaller states to accept undesirable standards. In the UK Government's plans for the UK, the opposite will be true as the Conservatives prefer a mutual recognition principle for harmonising standards, so that the lowest standards legislated for by any of the UK's Parliaments must automatically be adopted by all.

Devolution is not just an abstract concept. It is what has allowed Welsh Government to develop more ambitious policies and standards than its Westminster counterpart; to protect the NHS as a publicly owned service, to develop world leading standards for food, animal welfare, and the environment. These are all now under threat from the implementation of the Conservative Internal Market Act.

An example of how mutual recognition will work within the UK is that it could mean that Wales will be unable to enforce the ban on the sale of 9 single use plastics. Mutual recognition should be built on a legally binding agreement between equal parties. This Act has failed to include protections for the regions and the devolved nations so that their needs can now be overridden by central government.

Bypassing the Welsh Government

Local procurement arrangements are another area of concern particularly for Wales. Wales's economy is significantly dependent on small businesses, cooperatives and social enterprises. Public procurement should be able to respond to the specific needs of local communities and economies. This Act could undermine that.

Typically, UK government did not seem fit to enter into discussions with the Welsh Government on this issue.

The government's actions and inactions with regards the Shared Prosperity Fund is another example – the proposals in the spending review are for the monies to be centrally controlled and administered by UK government bypassing the Welsh Government leaving genuine concerns that we will get less funding.

There is a very real threat that the UK Government will override the Welsh Government's decision not to build the M4 relief road totally undermining the priorities we had set in Wales.

Political and spending decisions should be made as close to the people they affect as possible. This is a fundamental principle of devolution, and it is unacceptable that the Tories are trying to stealthily roll this back. We cannot allow our spending powers to be taken into central control. It will prevent devolved and local governments from pursuing economic differences that meet the public policy objectives of the regions and nations of the UK.

As the Chair of the Senedd Constitution, Justice and Legislative Committee, Mick Antoniw MS has stated, "it is quite clear from this Bill that the aim of this Tory government is to cement their neoliberal economic and social agenda into a framework of a centralised British nationalist state. This Act shows their contempt for devolution, the constitution and the rule of law."

Boris Johnson takes great pride in being Prime Minister of the United Kingdom. One of the greatest dangers that this Bill presents to the United Kingdom is that it fractures it completely. And that was why the Senedd withheld consent from the internal market bill.

Clear Radical Red Action

We are at a critical juncture in terms of democracy and devolution. Constitutional reform and devolution are not remote, side issues. We need a debate on constitutional reform and I welcome

Labour Party's commitment to exploring this in order to build a new long-term political and constitutional consensus. We need a system in which the four nations are treated as equals, not a top-down arrangement as at present. All parts of the UK should be properly and fairly funded without the need for a begging bowl whenever additional needs arise.

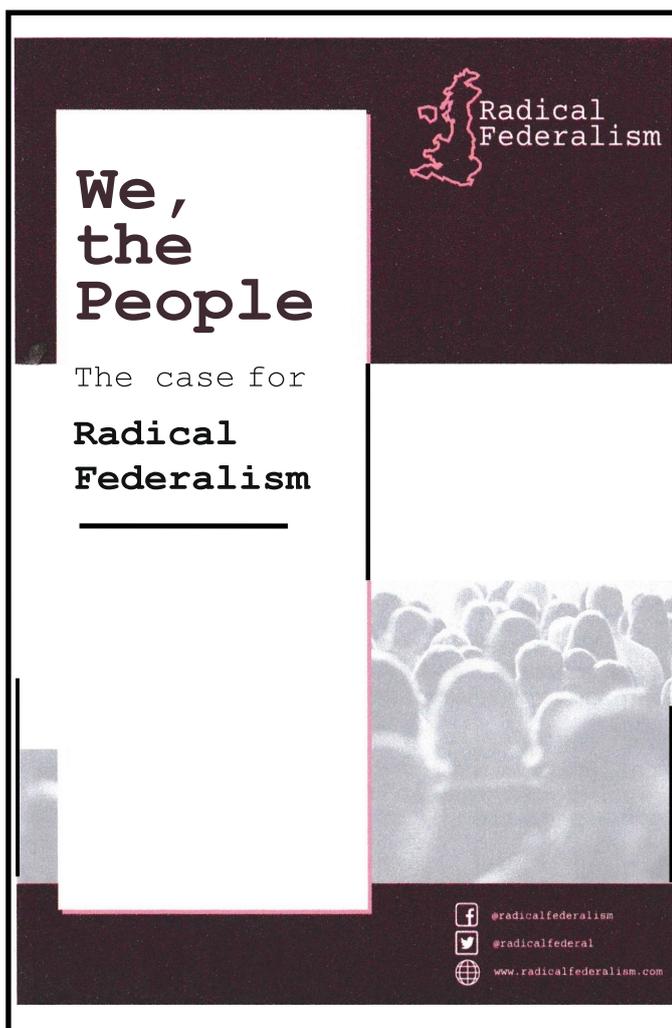
We need more devolution – not less, considering the needs of the regions of England too. This is an integral part of the discussion we must have on the left of the Labour Party about how we increase public and community involvement in the political world.

How we stop Westminster being remote from the people of Cardiff, or Liverpool or Belfast or Glasgow. At the same time, it is crucial that we are united in standing up and campaigning against the damaging policies of this regressive Tory Government. We need that clear radical red action now more than

ever as we fight to give future generations across the UK a fairer, greener, socialist future. I very much look forward to doing this with Scotland and the regions of England.

1 Unison Cymru (2019)

2 Wales Fiscal Analysis (2020). Covid-19 and the Welsh Government Budget. Cardiff University, Cardiff



We, the People
The case for
Radical Federalism

Radical Federalism

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WE, THE PEOPLE

The Case for Radical Federalism

Radical constitutional reform is no longer an option, it is an unavoidable necessity. The internal conflicts within the structure of the UK must be resolved. This paper is a contribution to the start of that debate, and sets out the reasons for reform, the principles upon which any future reform should be based, and the process for getting there. We believe that the people of Scotland, Wales, Northern Ireland and England should be offered the opportunity to make a positive choice for the opportunity to envision, and contribute to the creation of a modern, collaborative, distributed and open democracy – the **UK transformed**.

<https://www.radicalfederalism.com/>

A radical economic strategy for Scotland might be defined as one that prioritises democratic public and social ownership at national, regional and local level and which is driven by, and is responsible to, those whose livelihoods depend on it

It is radical because it confronts current centralising government agendas in both Britain and Scotland, because it directly challenges the corporate power that drives this process and, most of all, because it is about building the collective strength of those who produce.

At British level centralisation is moving fast. Johnson has already annulled the modest economic and industrial powers devolved to the parliaments in Scotland and Wales. Henceforth economic intervention in the nations and regions will come direct from London. It seems likely to take the form of large-scale infrastructure projects tendered to the private sector in line with EU regulations and politically badged as gifts from a Conservative government. The rhetoric will be about levelling up. The reality will be enhanced corporate dominance in a period that will see the public sector squeezed as never before and many fragile regional economies damaged beyond repair. Overall the government's focus will be on paying down the mountain of public debt incurred as a result of Covid and its corporate mismanagement. Such retrenchment is essential for the government's overriding objective. This is to maintain the international position of sterling on which depends the City of London's role as a world centre for the corporate finance.

A centralising agenda

The political perspectives of the SNP reflect a similar corporate agenda – though from a different angle. It is set out in the party's 2018 Growth Commission Report and prioritises a relatively immediate return to the EU using sterling as its interim currency¹. As David Byrne notes in his contribution, it sees growth as being secured largely through external corporate investment – much of it post-Brexit investment flight from south of the border. In particular, the Report highlights the degree to which Edinburgh's long-standing banking expertise, matched with EU membership, would facilitate the migration of London-based international banks. Even before Covid struck this agenda represented a daunting fiscal challenge and it is this that explains the SNP's own centralising drive, one that has already done considerable damage to Scotland's local economies. The figures are stark. Already before 2019 Scotland needed to reduce its annual budget deficit from

around 7.5 per cent of GDP to 3 per cent to meet the EU's convergence terms (and to 0.5 per cent for full euro membership). National debt would need to fall from around 80 per cent of GDP to 60 per cent. Correspondingly, the ten years of SNP administration have witnessed a drastic centralisation of key public services often combined with outsourcing and cuts. This has been the case for the NHS, the police, fire and rescue, further education and justice. While this partly results from the British government's austerity cuts, its zealous application matches the SNP's own agenda. In local government even fiercer budget controls have been imposed. Real cuts of almost 10 per cent over the past nine years have resulted in a 28 per cent reduction in council spending on economic development, 23 per cent in culture and leisure, 24 per cent on roads and 20 per cent on planning². Public sector house building has largely ceased. And Scottish government itself has made little direct investment in industry – with EU rules against state aid repeatedly used. In 2019 the country's last remaining areas of manufacturing expertise in locomotive engineering and wind turbine construction were lost when the Scottish government used EU regulations to claim it was unable to intervene. Since then the collapse in oil prices has increased the budget deficit to 8.5 per cent while Covid is likely to take Scotland's share of the national debt to well over 110 per cent of GDP. The annual deficit on current expenditure will also rise significantly as a result of Covid's longer-term consequences for structural unemployment. By how much remains uncertain³.

Undaunted, the SNP pressed ahead with its independence agenda. At its November 2020 conference, with the City of London participating as a corporate sponsor, the SNP leadership demanded a referendum in 2021. For the authors of the Growth Commission Report speed is essential if London's overseas banks and financial service firms are not to slip away meantime to Frankfurt, Paris and Dublin.

Public and Social Ownership

What is the public sector alternative? The most immediate example of locally-based and democratically controlled economic regeneration is what has become known as the 'Preston Model'⁴. This seeks to maximise local employment and wealth

through redirecting the use of monies that ultimately come from the public purse into the local economy and employment – and particularly into sectors where income is not syphoned off into externalised profit streams. As practiced by Preston Council, this has involved taking contracts back in house for elderly care, transport services and house building and maintenance and entering into agreements with other local public sector and charitable institutions, universities and hospital trusts, to do the same. It has also involved using planning permissions to persuade commercial firms to recruit and source locally and to employ on union conditions. In Scotland one or two councils, particularly North Ayrshire, have attempted to follow this example.

The strength of this model is that it is democratically responsible to the local community, builds the collective strength of an increasingly unionised workforce and retains more public income locally. Its weakness is that it is largely limited to services, may sometimes tend to take income streams from other equally disadvantaged areas and is largely restricted to, and potentially sharply constrained by, income through the public purse, often ultimately from the Westminster government. It also has limited capacity for production: the competitive manufacture of marketable commodities involving high levels of expertise and capital investment.

The importance of the ‘Corbyn’ manifestos

This is why the wider industrial strategy embodied in both the 2017 and 2019 Labour Party election manifestos remains important. The key requirements are a State Investment Bank that can take stakes in private companies and require the presence of trade union representatives on company boards, full public ownership for developmental companies in strategic areas, the renationalisation of companies in transport, power, communications and posts and the use of government purchasing to require contractors to buy locally and to bargain collectively with appropriate trade unions. Such powers, whether administered at Westminster or at national and regional level, would first and foremost rebuild the strength of organised labour. It would enable the trade union movement and those it represents to develop a countervailing power to that of capital directly within the process of economic decision-making and, in doing so, to act as champion of the wider communities it represents. Organised labour would constitute the core of an alliance that would, together with professions and small business, anchor productive power and enable the redevelopment of what Scotland has largely lost:

centres of expertise linking major exporting companies, supply firms, smaller production cooperatives, schools, colleges and universities.

The immediate problem with this perspective is not economics but politics. Corbyn has gone and Labour is in retreat. Can such a programme now be carried forward ?

This answer must be Yes. The alternatives are so destructive that the labour movement and its allies must make it happen – and be armed, in a way it was not previously, with the arguments needed to build a wider alliance of support. This will be essential not just to win such a programme electorally but to carry it through subsequently. As at the time of the original *Red Paper on Scotland* in 1975, wider political mobilisation will be required.

Arguments for public sector intervention

The labour movement needs to win a much wider understanding of just how weak Scotland’s productive economy has become, of the reasons for it, and, hence, why public sector intervention is essential.

Britain is almost unique in terms of its regional inequalities. Wealth and capital investment is overwhelmingly concentrated in the south-east. Across the midlands, the north and west and Wales it is disproportionately low. So, correspondingly, is productivity, research and development and new firm formation⁵. For Scotland the situation is even worse. Although still somewhat masked by the residual strength of investment in the north-east oil economy, de-industrialisation had already gone further than in any other region. Industry and manufacturing amount to scarcely 10 per cent of GDP and the country’s export potential is today restricted to a handful of externally-owned large firms. Worse, the specialist base of what remains of Scotland’s industry is narrow and scientifically-limited: salmon, whisky, the remnants of an externally-dependent electronics industry, wood products and small pockets of shipbuilding, engineering and chemicals. Correspondingly industrial research and development is minimal. Uniquely, compared to English regions, the bulk of Scottish R&D is provided through the university sector and, even so, remains below the British average⁶. This is Scotland today, a country which only a half century ago still remained an industrial powerhouse.

Decline could have been avoided

There are some general historical reasons for this decline. There was, in the 1960s, 70s and 80s, the political destruction of the post-1945 public sector economy (coal, steel, electric power, railways, oil refining) which in the post-war period had sustained a significant private sector in heavy industry and engineering. There was the structural weakness of the branch plant economy inherited from the 1950s and 60s followed by disinvestment from traditional industries in face of the inflationary effects of North Sea investment in the 1970s and 80s. Throughout the higher profitability offered by Edinburgh's investment trusts, largely investing overseas, drew money out of home industry.

But, while all these factors served to weaken the country's industrial base, they did not destroy it. Still at the beginning of this century a number of technologically strong, locally-controlled companies remained. Some like Weirs were old. Others like John Wood Engineering had grown in tandem with the oil industry.

The effect of externalisation

The real damage to Scotland's economy over the past twenty years has resulted from a largely new development. Previous editions of the Red Paper have documented how virtually all significant Scottish-based firms have become dominated by large blocks of shares controlled by external (British, European but mainly US) investment companies. These companies themselves reflect and represent a new phenomenon: the massive growth in private wealth held globally by individuals and institutions - with investment firms competing to offer the best returns to individual wealth-holders. Their board room power is therefore used short-term to extract maximum profit income – leaving less money for productive investment. Hence the secular decline in productivity.

Andrew Haldane, chief economist at the Bank of England, raised the dangers back in 2016. At that point it was estimated that the share of company profits taken by dividends had risen from 15 per cent in the 1960s to nearer 60 percent⁷. Haldane spoke out again in 2020 attacking the primacy given to shareholders under the 2006 Companies Act: 'the model of shareholder-focused capitalism is beginning to fray'. Blaming it for Britain's intensifying regional under-development, he called for alternative modes of company finance and a reconsideration of the role of 'regional, development and infrastructure banks'⁸. A few months before the Financial Times had

published a study showing that dividend pay-outs were double the level, in terms of share values, of those two decades earlier⁹. The OECD report for 2019 highlighted the same problem. For the US and Britain it found a massive concentration of control by investment companies. On average, across all quoted companies, ten investment companies together owned just under 30 per cent of shares, representing a dominating control, the 'shareholder power' identified by Haldane¹⁰. For Scotland this would seem to explain why business investment fell from 11 percent of GDP in 1997 to 7 percent between 2004 and 2016 and lower still in 2016-17¹¹. Without investment companies fail.

Vampire capitalism

These, then, are the arguments. Capitalism has always had a tendency to monopoly. This favours the biggest companies controlling the biggest markets. It can be seen in action across the EU and the US and tends to penalise weaker regions and countries such as Scotland. Now, wealth concentration has taken a new turn, operates remotely through competing investment companies which suck resources out of the production firms they temporarily own. This new 'financialisation' would appear to be main the reason for the secular decline in growth and productivity over the past two decades and why regions and nations like Scotland are at the sharp end of the decline.

It is for this reason that public sector intervention is so essential and why there need to be publicly-owned stakes in major companies and trade unionists on company boards. Locally rooted growth depends on creating regional and national alliances that can campaign for these public sector objectives – against those of both Johnson and the SNP

1. <https://www.snp.org/snp-growth-commission/>; George Kerevan, 'SNP at the Crossroads', *Conter*, 7 July 2020 provides details of the SNP's corporate involvement.

2. Local Government Benchmarking Report, *National Benchmarking Overview Report 2018-19*, 2020

3. Fraser of Allander *Economic Commentary*, December 2020.

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In 2021 Scotland is in a state of crisis. Immediately that crisis is caused by COVID-19 – a pandemic which was bound to happen sooner or later but has come along now. In the longer term Scotland is in crisis because it is a post-industrial country in an era heading towards climate catastrophe.

A state of crisis is not a condition which can endure. It has to resolve by transition to another state and there are at least two and often more possible futures but one of them has come into being. The immediate crisis facing Scotland and the human race on this planet is the impact of COVID but inequality and impending climate catastrophe set the scene for how we can get from where we are now to any possible future. To do that we need to start with what the fundamental economic, fiscal and social statistics tell us about the current state of Scotland as a system. There is a path dependency. So where is Scotland now and what futures are possible for it towards the middle of the 21st Century.

The current state of Scotland as a system

Behind the immediate and very serious matter of a pandemic, there is the longer term socio-economic-cultural crisis facing Scotland *and all other formerly advanced industrial nations and regions*: the consequences of an economic, political and cultural transition from being industrial societies in which a very large proportion of economic activity and employment was in production – in the UK 50 years ago nearly half - to being post-industrial societies in which the great majority of economic activity and production is in services - in the UK now more than 80% and in Scotland nearly 90%.

Scotland is a service dominated economic system with the most important components of private capital being in the interlinked domains of Finance and Real Estate. These generated double the value of Manufacturing - 18% of Scotland's GVA - compared with Manufacturing's 10% but generated just 4% of all employment compared with Manufacturing's 11%. Public Services broadly defined – Education, Health and Social Care / Social Services, and Public Administration – are the largest component of the system both by GVA at 21% and employment at 24%. In Neo-Liberal terms such services are a drain on the "Real Economy" but they provide essential services without generating profits. Privatization transfers these activities from being done for the public good as Universal Basis Services to generators of profit.

In Fiscal terms Scotland is a relatively affluent part of the UK but after fifty years of operation of the very favourable outcome of the Barnett formula spends

substantially more than it raises in revenue and has a fiscal deficit of 7% of Gross National Product. Under EU rules if Scotland were to re-join the EU measures would have to be put in place to reduce this deficit to 3% over a relatively short time period. The SNP's notorious *Sustainable Growth Commission* called for even more severe fiscal controls in order to placate the financial markets and establish Scotland's probity. This was adopted as party policy by the SNP at its 2019 conference.

The fragile economy

The response to the implications of the COVID 19 pandemic for the Scottish Economy is the report of the Advisory Group on Economic Recovery *Towards a Robust Wellbeing Economy for Scotland* (Higgins Chair 2020). This begins by noting that: 'The fragility of our society and our economy, like that of others, has been laid bare these past few months.' (2020 1) Correct, but what follows is a mixture of the pious and the aspirational without any sense of the problems of a post-industrial capitalist system dominated by finance and real estate capital. The degree of inequality in Scotland is noted but the solutions rely on harnessing the private sector towards activities in which it has shown very little interest in the post-industrial era. Despite the presence of Grahame Smith of the Scottish TUC on the Advisory Group, there is no discussion of the role of Trade Unions as meaningful partners in the direction of recovery. Instead there is an emphasis on collaborative relationships with "the business community". The discussion of Planning in this document deals only with the use of existing planning powers. There is no sense of the necessity for even indicative planning of the sort proposed by the 1964 Labour Government under the Department of Economic Affairs, let alone the Directive Planning as in the UK during the Second World War. We need Directive Democratic Planning to cope not only with the immediate crisis of COVID 19 but with the developing catastrophe of global warming. That will only be possible if something is done to redress inequality.

We need a planned economy

The group noted that the problems caused by the UK's flexible labour market and argued for higher

minimum wages and collective rights. Of course this is right but it is by no means enough. The flexible labour market was created by the dominance of interests focused on exploitation in the political and social structure of the UK through the Thatcher, Blair, Brown, Coalition and subsequent Tory Governments. Capitalism is taken for granted but we are in the era not just of the Anthropocene where nature is transformed by human activity, but of the Capitalocene where that transformation is driven by the logic of capital accumulation. Instead of recognizing the necessity for a planned economic and social system directed towards addressing inequality and contending with impending climate catastrophe, the most that the Advisory Group propose is equity participation in private enterprises.

The SNP programme is part fantasy, part realpolitik

The SNP's programme of an independent Scotland is a mix of massively optimistic fantasy, misrepresentation of the fiscal reality, and – when it speaks to its business oriented masters – realpolitik endorsing severe austerity. The SNP asserts that the welfare state which has operated in Scotland since devolution, funded to a very considerable extent by transfers from the UK as a whole, is possible in an independent Scotland. Their campaign in the independence referendum asserted that independence would make this possible and presented independence as a way of reversing austerity. However, the SGC report showed the real nature of the SNP very plainly. For them independence must be achieved on terms with which international finance capital is comfortable. An independent Scotland on these terms would suffer the kind of severe public service cuts, including cuts to the pay of public sector workers, What the SNP has in mind is a neo-liberal independent Scotland with worsening austerity and continuing inequality. The report of the advisory group on the post COVID future is much better in terms of proposed action but still will not create the kind of future that is for the many not the few.

The collapse of real estate will make things worse

In the SNP's ideal world the Sustainability and Growth Commission Report might in normal circumstances WHICH ARE NOT COMING BACK have provided an economic base for affluent parts of the country and in particular the affluent parts of the Edinburgh region – the area covered by the South East of Scotland Land Use Plan. Even that base would have been fragile. An independent Scotland would have been hit much harder by the collapse of RBS than even Ireland was hit by the collapse of the Irish Banks. Betting an economic future on financial services was always

risky. But much of the rest of the country would have been in a parlous state. One very likely impact of the COVID-19 pandemic will be a collapse in real estate activity, particularly but not exclusively commercial real estate. That will make things even worse. Is there an alternative? Of course – a real social democratic Scotland (either as part of the UK or as independent – the constitutional issue matters far less than the basic class politics).

The Socialist Alternative – confronting inequality and climate crisis

COVID has demonstrated that when faced with a crisis, the supposed free market – actually characterized by monopoly, oligopoly and other forms of imperfect competition - cannot cope. We had this before when governments stepped in to save banks and bankers from the consequences of their speculative idiocy in 2008 but that was passed on to ordinary people – the many, not the few. Austerity was applied to slash public spending on services whilst quantitative easing was offered to save the skins of the rich – socialism for the rich, not the mass of people. COVID demonstrates that what is needed when faced with a crisis is a planned and ordered economy. Scotland and Wales are in a better positions here because through devolution they retain an administrative structure at a population scale which has the potential to engage with necessary coordination and Public Health has been retained as a Health Service function. In England the abolition of the Government Offices of the Regions in 2010 got rid of an administrative structure which would have provided the basis on which coordination could have been managed. Public Health was hived off to massively underfunded local authorities. All this was part of the programme of setting up the English NHS as a happy hunting ground for private health providers paid from taxation and making massive profits if they could with the public sector always stepping in when they failed to do so – look at the experience of the railways.

Middle income people have suffered

COVID is the immediate issue. Inequality is the ongoing running sore. Middle income people – people living in households with an income between 80% and 200% of the median household income, have seen a substantial reduction in their incomes relative to those of the top 10% of households by income. The Scottish Government Housing and Social Justice Directorate in September 2020 reviewed *The Impacts of COVID 19 on Inequality in Scotland* and showed that COVID will make inequality worse. However, that review did not take account of the way that not only the poor but the mass of middle income

households are already relatively much worse off than in the industrial era and that their children will be even worse off again in the near future. This is the theme of an important report from the Organization for Economic Cooperation and Development: OECD (2019) *Under Pressure: the squeezed middle class*. To be blunt substantial change happens when people who have been doing fine discover that their future, and their children's future, is going to be worse.

The ability to pass on a middle class secure standard of living to children has been severely eroded. The medium term growing crisis is the potential of the collapse of our social world consequent on climate crisis. Socialists must address inequality but they have to do so in a context of developing climate crisis.

Planning is the key

And there is a way to do this for which in the UK we have an excellent historical model / precedent. That is the organization of the whole of UK society – economy and civil society – on the basis of what Devine (1988) in his excellent book called democratic planning through negotiated coordination. As he says: '... a condition of working class cooperation was the sense of equality of sacrifice.' (1988 32). Note that his description of wartime UK planning which is sustained absolutely by the documentary and oral historical record is not one of absolute central direction but rather of one of constant negotiation. In

some ways the system without using the word operated according to the principle of subsidiarity: the principle that a central authority should have a subsidiary function, performing only those tasks which cannot be performed effectively at a more immediate or local level. A key level was sub-national. Most social functions were organized on a regional level at the levels which more or less correspond to the region / nation levels in contemporary UK administration. Interestingly the development of information technology makes this kind of coordinated and discursive social and economic management much easier to achieve. This is what the Labour Party was trying to do generally from 1945 to 1951 when it was stopped by a combination of the first past the post electoral system - won the only absolute majority of votes ever in Britain but lost on seats won – not least in TORY Scotland. England and Wales stayed Labour. This is what we need now. Without it we are in the words of Private Frazer in *Dad's Army* all doomed.

Devine, P. (1988) *Democracy and Economic Planning: The Political Economy of a Self-Governing Society*. Polity Press, Cambridge UK

Streck, W. (2013) *The Politics of Public Debt: Neoliberalism, Capitalist Development, and the Restructuring of the State* MPIfG Discussion Paper 13/7 Cologne: Max Planck Institute for the Study of Society

There is a model of politics, identifiable across the spectrum of belief, which relegates all immediate concerns, however pressing, to a distant, imagined future where every injustice is resolved on the basis of a single catalysing event.

Activists committed to such causes are expected to refer every campaign, question or strategy to this one over-riding expedient. Such myopia has often been a defining characteristic of ultra-left sects. However, the disorder now afflicts most clearly the single-issue perspective of Scottish nationalism.

As the cracks in the British state stretch into chasms – leveraged ever wider by a Tory government recklessly oblivious to the warning signals – we are asked to believe that the axiomatic resolution to the crisis is independence. No injustice is to be understood as anything other than a symptom of a flailing British state. A political determinism has become so deeply rooted in the collective psyche of the majority of the Yes movement that to contest it is to invite allegations of heresy, and at worst, betrayal of the Scottish people's pre-written destiny.

But what of those seeking to differentiate themselves from prevailing Nationalist orthodoxy?

Independence as a circuit breaking opportunity

Conter (<https://www.conter.co.uk/>), Bella Caledonia and Yes Alba have emerged as the principal left voices in the contemporary Yes camp. For them, Scottish independence is a circuit breaking opportunity, a means of disrupting an ossified British state, thereby establishing ground on which class politics can once again take root in Scotland, and by extension, across what would remain of the UK. Needless to say, in response to criticism that such an approach threatens to fracture rather than re-build class solidarity across the Isles, proponents argue that Scotland's transformative example would, at some undefined point and on the basis of events left to the imagination, inspire the English working class to throw off the shackles of a conservatism implicitly framed as innate to their political psyche. On this reading, a praetorian Scottish vanguard would take up the responsibility of breaking the magic spell of a less 'civic' English nationalism. Such arguments are seen as articles of faith, shibboleths upon which socialist critiques are swatted away.

In 'Gramsci and the Scottish Question' (<https://www.conter.co.uk/blog/2020/12/11/gramsci-and-the-scottish-question>), Chris Bambery enlists the great Italian theorist of ideology to argue that a widespread fraying of allegiance to the British state prefigures

more fundamental challenges. If only the Scottish working class can break with a state to which habits of deference and patriotism remain soldered, a blow can be struck that will reverberate around the UK in ways which will, presumably, alchemise nationalist sentiment and the politics of identities defined by borders into a revolutionary class-consciousness. At no point does Bambery consider that fostering nationalist illusions amongst the Scottish working class, however unwittingly, might actually serve to strengthen rather than weaken the hegemony of the 1% over the shared imaginations of the Scottish 99%. As the revolutionary left triangulate ever closer to the nationalist camp, so they make their own contribution to an ideological confusion which has in recent decades served to loosen the traction Socialism as an idea once had in the public mind.

Yes Left's case is like a drunk man on auto pilot

Bambery is of course right. The British state has historically stood in the way of class-based resistance to injustices wrought daily on communities by a rapacious capitalist class increasingly impatient with the checks imposed on it by democracy. Its hierarchies, antiquated traditions, its politicised Bishops and in-built expectations of reverence and nostalgia are anathema to progressives, never mind socialists. But time and again, the Yes left's case returns, like a drunk man on auto-pilot, to a pre-determined roadmap, that of independence as a non-negotiable catalyst in the rebirth of class-based politics.

In 'The Week the Gloves Came Off,' (<https://www.conter.co.uk/blog/2020/11/17/snp-the-week-the-gloves-came-off>), George Kerevan identifies an evolving Yes left frustrated at the conservatism of the SNP and its record of austerity, suppression of Party democracy, 'vacuous political messaging' and unwillingness to entertain anything but the most modest vision for an independent Scotland, lest Sturgeon and her nomenclatura 'frighten the Scottish middle classes.' Kerevan nails the SNP's record effectively, calling out their 'endorsement of the so-called Growth Commission Report in 2019, which advocated keeping Sterling without monetary control, and generally embraced a pro-market economic strategy.'

In 'Scotland: Independence and Vassal State', (<https://www.conter.co.uk/blog/2020/11/20/scotland-independent-or-a-vassal-state>), Jonathon Shafi acknowledges the dilemma; 'The GC (Growth Commission) is written as if the economic crises of 2008 and 2020 didn't happen...(it) would lead to cuts and much else detrimental to ... working class people across the country. Nicola Sturgeon is fully supportive of this prospectus, which should have been well and truly buried given the context of the pandemic and all that entails economically and socially.'

No meaningful challenge to the SNP prospectus

The trouble is, no meaningful challenge to this prospectus exists within the SNP. Rumbblings there may be, but such tensions have for the most part been articulated via the factional lightning rods of the Salmond/Sturgeon camps.

Kerevan speaks for a minority in the Yes/SNP camp only. More numerous, and far more vocal, are those voices for whom the SNP's actual record in government should under no circumstances be seen as relevant to the constitutional discussion. Scotland may have the lowest average life expectancy in Europe and the highest rates of drug-related deaths. The SNP may preside over escalating educational and health inequalities (bleakly signified by Sturgeon's early shadowing of Johnson's 'herd immunity' approach to a pandemic both nations had plenty of time to see coming).

But the Scottish government's performance is time and again decoupled from a campaign for independence whose benefits are taken as read, and often, perversely, compared to the struggles of everyone from the Palestinians to the US civil rights movement. No matter Scotland's colonial and slave-trafficking past. Scots should be counted amongst the 'wretched of the earth,' latter-day colonial subjects yearning to break free from the yoke of a Westminster parliament which alone stands between a Scottish people conveniently undifferentiated by class, gender or race, and their freedom.

The shameless appropriation of the histories of oppressed peoples found the bottom of the barrel recently when Kerevan posted pictures on social media of Martin Luther King jr, Nelson Mandela and Mahatma Gandhi. "People who did not ask for a referendum from their oppressors before they demanded freedom." Here, a bogus victimhood predicated on nationalist self-mythologizing confirms Eric Hobsbawm's observation that 'Nationalism requires too much belief in what is patently not so.'

Meanwhile, the elephant in the room goes unaddressed. The SNP are the dominant vehicle for

independence. No serious challenge has been or is likely to be mounted within a Party where active trade unionists, never mind socialists, remain a small minority. Conter fails to acknowledge that the official version of independence on offer is rooted firmly in the politics of a Party and a movement only too happy to exchange one form of subjugation for another.

In the case of Bi-Fab, Conter addresses the role of transnational organisations beholden to capital in providing a legal pretext for non-intervention (EU state-aid rules - <https://www.conter.co.uk/blog/2020/11/30/what-the-bifab-disaster-tells-us-about-class-rule>). Implicitly, it is acknowledged that a newly independent Scotland vying for inward investment would be an easy mark for predatory global capital, particularly if governed by an SNP well-rehearsed in 'full and grovelling supplicancy.' But those ringing the alarm bells are few and far between, and often to be found amongst supporters of independence within the Green and Labour parties or on the fringes of the Scottish far left. Clearly, the prevailing narrative of a Yes movement dominated by a body of opinion indifferent and at times hostile to class politics renders any claim on its behalf by the Socialist left fanciful.

Re-imagining the British state is long overdue

From 1999, a Scottish Labour establishment bereft of the political imagination which might have seen devolution as something more than a holding exercise have provided the Nationalists with open goal after open goal. Labour MP John Pictorial Mackintosh MP was no doubt right to say, in 1968, that the 'people of Scotland want a degree of government for themselves.' But he had more in mind than what Holyrood has thus far been willing to offer. A re-imagining of the British state and its fragile constitutional protections is indeed long overdue.

Keir Starmer's recent speech on a proposed Constitutional Commission was in places a rhetorical step up from the 'kamikaze Unionism' of the Better Together debacle. In rejecting both the 'status quo' and independence, Starmer made a cautious appeal to those who have fled the Party for an SNP erroneously associated with a commitment to social justice. But as Rory Scothorne points out, his real pitch was 'laser-targeted at the sizeable cohort of Scots who voted 'no' to independence in 2014, 'remain' in 2016 and are now shifting towards independence' (<https://www.theguardian.com/commentisfree/2020/dec/24/keir-starmer-scotland-strategy-devolution-labour>).

Limited in policy detail, Starmer's was a speech carefully tailored to appeal to centrist SNP and Tory voters, with a sideward glance towards UK-wide solidarity leavened in to appease SLP activists. There was little to nothing on the linking of a redistribution of power to a redistribution of wealth. Most damagingly, the Claim of Right was outsourced to a Tory administration whose Prime Minister recently described devolution as a 'disaster.' Starmer's extension of veto-rights to a government as mercenary as this one will have come as an early Christmas gift to the SNP's Charlotte Street lobbyists.

Devolution has been a disaster for the British state

Cat Boyd's recent article (The Unreality of Labour's Devolution Politics - <https://www.conter.co.uk/blog/2020/12/5/labour-amp-the-great-devolution-mistake>) is predicated on multiple assumptions; that the Labour Party's attempts to steer a middle path between devolution and independence is in fact a 'technocratic fix' designed instead to recover the Party's electoral fortunes; that devolution has indeed been a 'disaster' for the British state, as the ultra-Unionists claim, and 'Nationalists' have been the 'main beneficiaries' of capital's recent crimes – from the Iraq war to austerity . But ultimately, with socialist forces so thinly represented within the wider Yes movement, it is to these self-same Nationalists that Boyd inevitably returns. Ultimately, for the independence-supporting left, a Scottish National Party bereft of class character or politics presents a better option to Socialists than a British labour movement populated still by millions of rank and file trade unionists. It is at least arguable that Boyd's analysis is accurate in as far as Starmer's intervention goes. Once again, a British political leader has failed to clearly describe a vision of the good society before laying out the constitutional means of arriving there. But what of a Scottish Labour left now largely supportive of Scotland's right to a second referendum should next May's Holyrood elections result in a majority for pro-Yes parties?

Katy Clark's invaluable recent Labour List article (<https://labourlist.org/2020/12/what-would-settle-the-scottish-debate-over-our-constitutional-settlement/>) makes clear that a 3rd option on any future ballot paper 'beg(s) the question of whether such an outcome would resolve the issue. Perhaps it could – if the proposal were radical enough.' This is the challenge for the SLP left as polling grows ever more settled in favour of a second referendum (despite data pointing to a majority of Scots prioritising Covid-suppression measures over a second referendum in the immediate term). If we are to prise open a binary debate almost calculated to squeeze nuance never mind class politics out of the

equation, what would that question actually offer as an alternative to the reductive choices favoured by the SNP and Tory Party nationalists? Amongst other measures, Clark suggests:

- ✦ Full tax raising powers for the Scottish Parliament.
 - ✦ Westminster raising taxes for reserved matters.
 - ✦ Transparency in funding transfers between nations and regions.
- Representation of nations and regions in a reformed second chamber.

A requirement for Trident to be agreed by Holyrood

'Could such a constitutional settlement have prevented Iraq, austerity and privatisation? Well, potentially yes. For example, there could be a requirement for an affirmative vote for military action in the Scottish Parliament where war is being proposed. Similarly, there could be a requirement for Trident to be agreed by Holyrood as well as Westminster.'

From the start of the pandemic, a centralised Westminster model addicted to diktat and the outsourcing not of power but of public funds to City-benefactors has been effectively exposed by regional voices such as Andy Burnham's. A public debate around a third option could serve to amalgamate those voices with a Scottish left who up until now have shared only a critique of an overly-centralised British state, but are a long way from agreeing an alternative model of democracy, never mind a path towards achieving it. A third question could open up a space in which those committed to a socialist alternative, and who grasp the urgency of the times, could find a common path out of the crisis. The intervention of class politics into the constitutional debate could provide a jolt of electricity to a discussion long mired in a polarising stasis.

Conter, and those other voices on the Yes left, some of them long-serving members of the SLP, should not be seen as lost to a false consciousness of nationalist delusion. The forging of alliances committed to dialogue around a question which has divided us for too long should not be beyond the wit of socialists of good spirit and intent. It might seem an improbable task, but whether on the basis of our own resources or alongside others, the SLP left must find a way to mobilise support for a debate on our constitutional future which places a reckoning with class power at the centre of its priorities.

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