## Scottish and Welsh nationalism: selfenrichment masquerading as social reformism

## Steve James 5 June 2001

In the 2001 general election, the Scottish National Party (SNP) and the Welsh nationalist Plaid Cymru (PC—the Party of Wales) claim to be committed to the type of social reforms abandoned by the Labour Party. Behind their efforts to win support from disillusioned working class Labour voters, however, is a programme articulating the selfish concerns of sections of the upper middle class and small business.

The SNP is standing candidates in all 72 Scottish seats, while the PC is contesting the 40 seats in Wales. The essential aim of both parties is to increase the share of British tax and investment revenue directed to the regional investment agencies, infrastructure projects and businesses of Scotland and Wales. The nationalist parties also see the Westminster elections as a means to agitate for greater powers for their respective regional government bodies—the National Assembly for Wales, based in Cardiff, and the Scottish Parliament in Edinburgh.

One of the first decisions of the incoming Labour administration in 1997 was to inaugurate moves devolving limited powers to a Scottish Parliament, a Welsh Assembly and some form of regional government for Greater London. Regional assemblies were also proposed for the rest of England, but have not been introduced. Referendums held just five months later delivered a 75 percent majority for the proposed Scottish Parliament, which was also granted certain tax raising powers. In Wales, an extremely low turnout returned only a slim majority for a Welsh Assembly with more restricted powers.

Devolution was sold to working people in Scotland and Wales as a solution to the so-called "democratic deficit" experienced during 18 years of Conservative rule at Westminster. Labour dominated the electoral map in both areas, but its regional representatives claimed to be powerless in challenging the Thatcher and Major governments due to Tory dominance of the "English parliament". In a similar fashion, the SNP and PC blamed every manifestation of social deprivation and hardship on the indifference of London and the South to the plight of Scotland and Wales.

This played an essential political function in obscuring the sharp class tensions that had developed throughout Britain. It channelled social tensions in a way that aimed to promote divisions within the working class and create an artificial unity between Scottish and Welsh workers and the regional bourgeoisie.

A limited devolution of power to Scotland and Wales was supported by all parties, except the Conservatives, and by sections of big business, because they saw this as a means to organise regionallybased infrastructure projects and tax-breaks that could secure investment from the global corporations. The investment agencies and locally based sections of capital sought direct channels of communication with the transnational corporations (TNCs), as well as with the European Union, and demanded the ability to organise spending in line with their own regional interests. They have less need of the all-British mechanisms through which regional investment decisions have historically been made and are less willing to subordinate their sectional interests to those of the British economy as a whole.

The SNP and the PC are the main opposition parties in Edinburgh and Cardiff, where they face Labour-led coalitions. They act as the most consistent advocates for regional capital. However, both are increasingly disinterested in outright separation from the UK, which has long been their main policy and the political basis of their support in the politically backward sections of the petty bourgeoisie. The SNP still nods towards its previous call for Scottish secession, but in its election manifesto this is subordinated to its demand for the "completion" of the powers of the Scottish Parliament. Plaid Cymru do not mention Welsh independence at all in their message to the electorate.

The SNP and PC both combine calls for greater regional autonomy with demands for a larger share of all-UK tax revenues for themselves. The SNP promise to "Shout" for Scotland, while PC is more inclined to humbly plead its case because it does not enjoy as strong a position either economically or politically.

The SNP call for a "Scottish Fund for Future Generations" and a "Scottish Trust for Public Investment", both of which would be a goldmine for the substantial Scottish-based banking and investment industries. The former would invest a portion of North Sea oil and gas revenues on the world's markets, as a kind of a Scottish pension fund, while the latter, also based on oil/gas, would be invested in the welfare services that have provided a potentially lucrative bonanza for big business under Labour's Private Finance Initiative. At present, the tax and license revenues extracted from the British and international oil companies operating in the North Sea, worth an estimated £50 billion (\$71bn) over the last ten years, form a component of British government income in Westminster. The SNP's perspective is to try and corner a greater portion of this solely for use in expanding Scottish-based capital.

The SNP also call for "fiscal autonomy", for which there is growing all-party consensus in Scotland extending from the Conservatives, through Labour and the Liberal Democrats to the left-nationalist Scottish Socialist Party (SSP). Fiscal autonomy would give the bourgeoisie in Scotland the right to set its own tax rate and retain all tax revenues.

PC, besides promoting "Welshness" and the Welsh language, advance policies designed to win greater control over taxation and to give the Welsh Assembly infrastructure development powers comparable to those already available to the Scottish Parliament. As with the SNP, this is dressed up as a means of addressing social inequality.

For decades, Scotland and Wales, which contain areas of acute deprivation, have received a larger share of state spending per head of population than the rest of the UK.

The decline of the British economy, however, has created large areas of social want across the UK. More recently, Scotland's economic fortunes have improved compared with many English regions, most notably South Yorkshire, which receives "Objective 1" funding from the European Union as a deprived area. So Scotland benefits from having a relatively successful economy, as well as enjoying per-capita social spending fully 23 percent above the English average. This has enabled the SNP and other parties in Edinburgh to advance a pro-business agenda while still boasting a commitment to spending more on health, education, etc., than the Westminster-based parties.

PC in Wales has no such potential nest egg as North Sea oil, and is more heavily reliant on subsidies from central government. Its main demand is for a reworking of the "Barnett formula," which determines the relative allocation of state spending to the UK's regions. PC want an increase of the present 18 percent advantage Wales enjoys over the English regions, to match Scotland.

As with the SNP, Plaid Cymru seeks to exploit the deep political alienation in the working class from the Labour Party. It calls for an increased minimum wage and a marginally higher tax rate for the super rich. The party also calls for the right to lower corporation tax, as and when required, in order to win inward investment.

The apparently reformist agenda of the SNP and PC is in reality built upon a wilful disregard and contempt for the fate of workers elsewhere in the UK. The parties in Cardiff and Edinburgh are quite prepared to see English workers taxed at high rates by the Labour government in Westminster to try and improve their own popularity amongst Scottish and Welsh workers with promises of marginal social improvements. In the meantime, they use this to conceal the essentially pro-business agenda they share with Labour.

The SNP and PC falsely claim that regionalism represents a means of opposing the right wing political trajectory of the Labour Party. However, it is the Blair government that has promoted regional divisions in the working class and which encourages inter-regional economic competition. After Labour's 1997 election victory, a host of regional think tanks, constitutional conventions and regional lobby groups such as the Campaign for Yorkshire sprang up in England—seeking to push forward regional government. Conventions and campaigns in the North East, and North West of England, for example, want similar powers to Wales. A November 2000 document for the Regional Policy Forum, called "Democratising England" by academic and Blair supporter David Marquand, gives an indication of their perspective.

Marquand complains that Labour's regional policy stalled after Scottish and Welsh devolution, failing particularly to address the "English Question". He calls for regional assemblies to take over aspects of welfare, tax raising, tourism, transport and health, thereby concentrating power in the hands of a regional elite. Each region would also receive a single block grant from central government, to spend as it pleased. Each assembly should have a broader peripheral "Civic Forum," to give a veneer of popular legitimacy. Advocates of English regionalism also point to the "over-representation" of Scotland in Westminster, which has a higher number of MPs per head of the population compared to England. More recently, Deputy Prime Minister John Prescott has announced that Labour will publish a post-election white paper to push through regional assemblies. Prescott is also reported to be keen to include a review of the Barnett formula in future legislation. Speaking on May 30, Prescott presented this regionalist agenda in pseudo-democratic language: "We will give the people the chance to make their choice... Labour is bringing decision making closer to the people."

Such is the level of alienation from official politics, that a recent vote in Liverpool to decide whether to establish a directly elected city mayor saw a turn out of just one percent, despite an intensive local media campaign and leaflets being sent to every household. Similar efforts in Leeds, Birmingham and Manchester were just as unsuccessful.

The Campaign for Yorkshire, headed by the Archbishop of York, announced portentously that "We assert the right of the people of Yorkshire and the Humber to determine their own domestic affairs should it be their settled will to do so."

Far from promoting greater accountability, however, the experience of Scotland and Wales demonstrates that the purpose of establishing such regional assemblies in England will be to encourage the wholesale sell-off of what remains of the public sector and to drive down wages through inter-regional competition. "Home Rule" for Yorkshire or the other English regions would create a bastion of political reaction and parochial narrowness. Last week, the Campaign for a North Eastern Assembly announced a competition to find an appropriate flag for their region. Echoing regionalists worldwide, who dig into the Dark Ages for their heroes, the favourite is the banner of a 7th century king and martyr, St Oswald of Northumberland.

The regionalist and separatist parties in the UK advocate pseudosocial democratic policies in order to try and win broader support. However, movements based on essentially petty bourgeois layers and the espousal of national or ethnic identity may take a left form. But they can rapidly move to the right. One can look to the examples of the fascist Vlaams Blok in Belgium and the right wing Lega Nord of Umberto Bossi in Italy. The programme of separatism and regionalism represents the attempt to divide the working class in the face of the common class enemy. Working people must develop a political response of their own to worsening economic and social conditions—a socialist policy based on the common interests of all workers in the fight for genuine equality.



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