

Scottish National Party—still Tartan Tories beneath the left veneer

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On April 12, the Scottish National Party (SNP) finally released its manifesto for the May 3 parliamentary elections, with leader Alex Salmond proclaiming that the document proves the party is ready for government.

The SNP has used widespread hostility to the Blair Labour government, over both Iraq and Labour's right-wing social and economic policies, to press its demand for separation from England and Wales.

The BBC reported that two-thirds of Scots are in favour of immediate withdrawal from Iraq and the SNP argues that this could only be achieved through an independent Scotland. According to recent opinion polls, the SNP could take 56 seats in the new Scottish parliament to Labour's 40.

Despite apparently riding high in the polls, the SNP had held back its manifesto launch and kept tight control of its details until the last moment, reportedly to prevent leaks, especially regarding its economic policy.

For some years, the SNP has positioned itself as a left-wing alternative to Labour. And at the manifesto launch, Salmond kept up the appearance, pledging a fairer Scotland.

The SNP manifesto promises the replacement of local authority (council) taxes, calculated on the basis of property values, with a local income tax, which it argues would favour the lower paid. The party has also said that it would not renew the Trident nuclear missile programme—based in Faslane, Scotland—as planned by Labour, and would use the money saved for social spending.

Scottish independence would enable the financing of such measures, the SNP claims, by giving the country control of its energy policy and most notably North Sea oil and gas revenues.

“More than 90 per cent of the UK's oil revenues come from the Scottish sector of the Continental Shelf. So it really is Scotland's oil,” the SNP states.

Scotland is surrounded by an “arc of prosperity”, consisting of Norway, Ireland and Iceland and has “every bit as much potential as any of them.”

In particular, an independent Scotland would “gain the power to stand up for our vital national interests” by joining the European Union. The SNP asks, “If Estonia, Latvia and Lithuania can have a seat at the top table of Europe, then why not Scotland?”

Faced with the threat of a nationalist-led parliament moving to take control of oil and gas revenues—not to mention its disavowal of a future Scottish base for Britain's nuclear missiles—Labour and the Conservatives have sought to mount a counter-offensive, arguing that the SNP's commitments do not add up and that separatism would create an unfavourable framework for businesses.

In a development that speaks volumes about the real political character of the SNP's programme and the interests the party serves, these claims have been opposed by a host of leading businessmen who have come forward to endorse the party and back Scottish independence.

Last month the former Royal Bank of Scotland chairman Sir George Mathewson said he would support Salmond as the next first minister of Scotland. This week, multi-millionaire Donald MacDonald, a founding member of the MacDonald Hotels chain, donated £20,000 to the SNP.

“Speaking to many people (not only businessmen) their minds are turning to consider the benefits of independence, where previously agnostic or hostile,” he said.

Other business backers include Tom Farmer of Kwik-Fit, who donated £100,000, and Brian Souter of Stagecoach, a Christian fundamentalist who made his fortune through the privatisation of public transport.

The growing support amongst sections of big business for independence stems from the desire to cut public spending and impose “fiscal discipline”.

Mathewson has said openly that independence would help end Scotland's "dependency culture"—its supposed over-reliance on English subsidies to finance the public sector and welfare benefits.

Similarly, writing in the *Financial Times*, John Kay complained that "Scotland consumes about 10 per cent more than it produces ... The economic case for separatism is that it removes the focus of grievance and the source of subsidy and makes Scotland again responsible for its economic destiny."

"I would be tempted to cast a vote for the Scottish National Party on May 3," he added.

Mathewson's intervention is particularly revealing. Notwithstanding complaints by the SNP and others that Scotland's economic development is being held back through its union with England, business and financial service growth rates have been higher in Scotland than the UK following devolution.

Hugh Aitken, a senior executive with Sun Microsystems, one of Scotland's largest foreign investors was reported as stating, "The good thing about Scotland is that it is a very small community. It is not difficult to get all the way to key decision makers to get an idea over and get things moving."

Writing in the *Spectator* magazine, George Kerevan, associate editor of the *Scotsman*, pointed out that "the one part of the Scottish economy that has prospered is the bit which the state forgot to subsidise or over-regulate: financial services. This now provides one in ten of all Scottish jobs—which means one in six private-sector jobs. It also generates 7 per cent of local GDP—a figure that is even more impressive if you understand that over 50 per cent of Scottish GDP is in the state sector. Edinburgh is the home of HBOS (the merger of Halifax and Bank of Scotland) and Royal Bank of Scotland, the world's fifth-largest bank."

The exploitation of North Sea Oil during the 1970s "saved" the Scottish banking system following the 1973 banking crisis, Kerevan continued. Ignored by "complacent London banks .. This left space for RBS and the Bank of Scotland to lead the financing of the new sector. The needs of the oil industry stimulated the emergence of a new wave of Scottish merchant banks such as Noble Grossart. Unsurprisingly, to this new breed of Scottish bankers, the idea of becoming another Luxembourg or Switzerland has its attractions. RBS, for instance, earns 42 per cent of its profits outside the UK: London is no longer the centre of the universe."

Salmond was formerly an economist with the Royal

Bank of Scotland, while the SNP's spokesman for economic affairs is former chartered accountant and businessman, Jim Mather.

Besides independence, one of the SNP's major commitments is to cut corporation tax to 20 percent. At 7 percent lower than the rest of the UK, the pledge would provide a windfall to the major corporations, not least the big banks domiciled in Scotland.

How this is to be squared with the party's spending pledges is to say the least unclear. It has been pointed out that the SNP proposal for a Local Income Tax would provide for nowhere near even the current level of expenditure on public services, holding out prospect of more than £1 billion cuts. The only thing that is certain is that the SNP's promised £450 million of efficiency cuts to pay for its other promises will translate into further inroads into the essential services and the jobs upon which tens of thousands rely.

Such is the true character of the party that groups such as the Scottish Socialist Party and Tommy Sheridan's Solidarity movement have made clear they will work with in the new parliament, and whose divisive independence agenda they dress up with left-sounding rhetoric.

If the polling is correct, the SNP will require an additional nine seats to govern. It is unlikely to find these from Labour, the Tories or the Liberal Democrats who have opposed its proposal to hold a referendum on Scottish independence. The pro-independence Scottish Greens have pledged their readiness to form a coalition, with Salmond describing discussions between the two parties as "amicable and fruitful". And the SSP and Solidarity have indicated they will step up to the mark, should they retain any of their current overall total of six MSPs.

This line-up is revealing. All three parties claim to be to the left of the SNP, but in reality the vote they secure on this basis will be used to allow Salmond to impose policies shaped above all by the dictates of the major banks and corporations.



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