Deal finalised for referendum on Scottish independence

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After months of wrangling, terms have been finalised for the holding of a referendum on Scottish independence.

Prime Minister David Cameron travelled to Edinburgh to meet with the head of Scotland's regional administration, First Minister Alex Salmond, to sign the agreement on Monday.

The deal is a continuation of efforts within the British ruling elite to utilise the question of Scotland's position within the UK as a means to divert from the offensive being waged against the working class north and south of the border. While Cameron and his Conservative-Liberal Democrat government are implementing the deepest austerity measures in post-war Britain, the Scottish National Party (SNP) administration in Edinburgh has assisted by imposing its share of spending cuts that will see Scotland's budget reduced by 12 percent by 2014-2015.

The manipulation of nationalist tensions across Europe is increasing. Secessionist demands are being brought forward as a means to block the emergence of a unified movement of the working class against the capitalist system. In its stead come movements representing the striving of the bourgeoisie and middle class in generally more prosperous regions or ones with strategic assets—such as North Sea oil—to take a greater share of tax wealth for themselves. This is coupled with moves to attract capital investment through lowering corporate taxes. This can only mean slashing wages and social services, despite the often "left" rhetoric used to sanction independence demands or for greater autonomy.

Earlier this month, nationalist parties in Catalonia called a demonstration in favour of independence, seeking to exploit popular hostility to the central government in Madrid, which has imposed vicious austerity measures to pay for the bailout of the financial elite. In Belgium, the day before Cameron and Salmond's agreement was finalised, the New Flemish Alliance (NVA) performed well in regional elections, calling for a separation of Flanders and Wallonia.

Cameron took the opportunity to present himself as the defender of a united nation, declaring, "I'll be arguing to keep the family together, to keep the kingdom united."

He says this as he leads a government that presides over the greatest level of social inequality since the Victorian era. For his part, Salmond hailed the referendum deal as "historic", claiming it was the most important decision for Scotland in 300 years.

To settle their differences on how the referendum will take place, Salmond and the SNP accepted Cameron's insistence that only a single yes/no question would be posed. Salmond had wanted a third option to allow more powers for Scotland within the UK, reflecting SNP fears that they will not win an outright majority for separation, coupled with a desire to pressure central government for greater fiscal autonomy.

In return, Cameron agreed not to block the referendum, which would be within Westminster's powers, and agreed that Salmond could set the time frame for the referendum. It is likely to take place in late 2014. The SNP is also to extend voting rights in the referendum to 16- and 17-year-olds. This concession is not all that it seems, since the Scottish parliament will have to use existing electoral registers for the referendum. Only those aged over 16 years and 10 months will be able to vote in 2014.

Salmond's push for a third option in the referendum came in the context of the level of support for independence remaining low in opinion polls. The latest surveys continue to show only 30 percent in

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favour of separation.

Cameron made clear that in the event of a no vote he would still be in favour of granting more powers to the Scottish parliament within the UK. He stated, “We have to answer the question: does Scotland want to stay in the United Kingdom? If the answer is Yes we do want to stay in the United Kingdom, then obviously further devolution is possible.”

The general belief within ruling circles is that encouraging regionalism is a useful means to carry through the destruction of all that remains of social provision in Britain. Extending additional powers to Holyrood, which would above all include the ability to raise revenue independently, would allow for the current block grant paid from Westminster to be reduced sharply.

This strategy is supported not only by the Conservative-Liberal government, but also Labour. It was Labour that promoted devolution under Tony Blair as a means to undermine public services and encourage competition across Britain. The party is seeking to intensify this process. *The Independent* editorialised over the weekend that the “low water mark” of Labour in Scotland may have passed. As proof, it cited a speech by Scottish Labour leader Johan Lamont, in which she called for the ending of some of the minimal social reforms, such as free prescription charges and free tuition fees for higher education, enacted at Holyrood. The editorial said this signified a Labour leader “calling on the party to break away from its public-sector and benefit-claimant client groups.”

The SNP’s plans represent the same class interests. In the event of outright independence, Salmond has vowed to slash corporation tax to 12 percent in order to compete for international investment. He intends that Scotland would continue to use the pound, stating on Monday that he hopes to secure a Scottish representative on the monetary policy committee of the Bank of England—the institution that oversaw the multibillion-pound bank bailout for which working people are now being made to pay.

Salmond put forward his plan in the wake of comments from European Union (EU) commission president Jose Manuel Barroso, that as an independent state, Scotland would have to go through the full process of becoming a candidate member before joining the EU.

Concerns have been raised as to whether Salmond’s proposal for a currency union with the rest of the UK could lead to a replication of the crisis in the EU. Responding to this question after signing the agreement, Salmond said, “The problem with the comparison is the different productivity in the areas of the eurozone.”

He asserted that Scotland’s fiscal position enjoyed “a level of comfort that should give a margin of maneuverability”. Salmond claims that an independent Scotland would be the sixth richest country in the world.

In reality, Scotland, like the rest of the UK, is in the deepest economic crisis since the 1930s.

It is the task of the various ex-left groups to give this reactionary enterprise a veneer of democratic and progressive legitimacy. The Scottish Socialist Party mobilised its members alongside SNP campaigners for a “march for independence” in Edinburgh at the end of September. The event attracted little more than 5,000 participants. Sharing a platform with Salmond, SSP leader Colin Fox absurdly compared the gathering to the working class struggles in Egypt and Tunisia that brought down dictatorial regimes, declaring, “This is the beginning of the Scottish spring.”

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