Billionaire views Scottish independence as a “management buy-out”

The anti-working class agenda promoted by the Scottish Socialist Party

Steve James
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The most damaging refutations of the perspective of the pseudo-left tendencies often come from their allies.

Jim McColl is the fifth richest man in Scotland, worth £1 billion. The small amount of taxes he pays is collected in Monaco. He made his money through a clutch of engineering companies under the umbrella of Clyde Blowers Capital. He is now seeking a stake in offshore oil and gas and the rapidly expanding wind turbine industries.

McColl is a recent convert to Scottish independence, having previously been a supporter of “fiscal autonomy” within the UK. When a fiscal autonomy option was excluded from the 2014 referendum, McColl shifted to support for independence.

Addressing his business peers in a recent article in the *Scotsman*, McColl explained that independence would deliver a “competitive advantage for Scottish business and incentivise innovation through our tax system so we can create and retain wealth.” McColl railed against a “government responsible for economic policy whose focus is not growth in Scotland but rather London and the South-East of England.”

In other words, McColl fancies the tax breaks, low wages and access to the corridors of power that an independent Scottish government might offer the operations he controls. His entrepreneur pals would like them too, he argues.

Concluding his article, McColl wrote that “Scotland is a nation in desperate need of a well-planned and thought through management buy-out.”

Further insight into a post-independence Scotland was offered by a Fiscal Commission Working Group set up last year by the Scottish National Party (SNP) government. The working group’s “First Report—Macroeconomic Framework” highlights the case for a powerful Fiscal Commission and a Scottish Monetary Institute—effectively, a financial dictatorship.

The two bodies would advise the Scottish government on its finances and the international economic climate. They would seek financial stability while advancing the interests of a Scottish financial sector that is, and intends to remain, an integral component of the huge and parasitic British banking and finance system.

The report notes “a number of major financial institutions which are incorporated in Scotland… that are integral to the overall stability of the UK financial system,” and a “number of London-based financial companies with substantial systemic presence in Scotland,” requiring a coordinated approach between London and Edinburgh.

The overarching concern is to establish “credibility” in the financial markets while attempting to make room for policy changes that best serve Scottish-based business interests. The working group rejects a Scottish currency because it would be vastly expensive to “re-denominate contracts and maintain intra-UK supply chains.”

It would be too dependent on North Sea oil price fluctuations and would lack any credibility on the financial markets. The euro is also rejected because it is by no means clear that Scotland will automatically be granted European Union (EU) membership, particularly as its debt levels as a new entrant do not meet EU convergence criteria.

The working group’s recommendations are that Scotland “enter a formal monetary union with the rest of the UK and the Bank of England” in a “Sterling zone". The Scottish government should acquire Bank of England shareholder rights and UK debts on a per capita basis.

The proposal is also intended to be "consistent with the emerging principles underpinning the proposed Banking Union in Europe."

The group acknowledges a "challenging fiscal envelope for at least the next five years, irrespective of the constitutional framework," and insists on a "robust fiscal framework" to ensure that public sector debt and borrowing are tightly managed. UK public sector debt is expected to peak in 2015/2016 at around £1.5 trillion, or 79.9 percent of gross domestic product.

"Fiscal stability," the working group's report states, requires that Scotland assume responsibility for around £126 billion of this debt. It adds that a "key objective for Scotland will be managing this level of indebtedness down."

In other words, regardless of whether Scotland is independent or not, the working group insists that the transfer of wealth into the hands of the financial oligarchy continue. To this end, monetary policy will be set across the Sterling zone.

The report compares aspects of the Scottish and UK economy and explores how current arrangements with the Bank of England could effectively be replicated and updated. But one innovation stands out. Having outlined the need for financial resources to deal with future crises, the group calls for a "stabilisation fund to manage oil revenues." This fund would be able to respond to "unexpected falls in revenue or asymmetric shocks," allowing for oil revenue, long claimed by Scottish nationalists as the basis for social welfare, to be pumped directly back into the financial system, while the bank's gambling debts would continue to be transferred wholesale onto the public sector.

None of this will cause the fake-left tendencies a moment of hesitation in their campaign for a yes vote in the 2014 referendum. They are already wholly integrated into the official independence campaign led by the SNP.

Scottish Socialist Party (SSP) leader Colin Fox sits on the "Yes Scotland" advisory board. As representatives of an aspiring layer of the middle class seeking to assert their own social interests through Scottish independence, the pseudo-lefts are committed to fraudulently promoting independence as a supposed means to alleviate the deepening crisis caused by the British and Scottish governments' austerity policies.

An example of the SSP's extraordinary grovelling before the SNP was provided by writer and novelist Alan Bissett. Commenting on a speech last December by SNP Deputy Leader and Deputy First Minister Nicola Sturgeon, Bissett drivelled, "Her speech was, in many ways, persuasive and passionate and there are certainly places where socialists can connect with her vision."

Sturgeon, according to Bissett, is a "capable and inspiring figure," the "right person" to lead the independence campaign." His only concern is that Sturgeon did not name-check the SSP. For this reason, he confessed he felt she had "some way to go" before "we can fully trust her, and her party, to deliver for the Scottish working class."

A few weeks later, Sturgeon advised the British government's Foreign Affairs Committee of her views on British imperialism's notorious and blood-drenched domestic and international spying operations—MI5 and MI6. "I would envisage Scotland having an independent domestic intelligence machinery sitting alongside our police service—but working very closely with the rest of the UK," she explained.