Rival factions of ruling class fight it out over Scottish independence referendum

Steve James 15 May 2013

The 2014 referendum on Scottish independence is being contested by opposed campaigns that are both fundamentally hostile to the working class.

Yes Scotland and Better Together are competing for the favours of the financial oligarchy, the international money markets and oil majors. Both are committed to driving down living standards through tax and welfare cuts, arguing over the merits of under which flag and through which institutions the ruling class will be better able to exploit working people and impose the unprecedented assault on welfare and social spending facing working people.

Backed by the Conservative-led coalition government in Westminster and the Labour Party, the Better Together campaign last month announced a £2 million referendum fighting fund whose largest contributor was oil trader Ian Taylor, CEO of Vitol and a major funder of the Conservatives.

Large payments were also handed over by Douglas Flint, the chair of HSBC bank, and figures in the engineering, property and food sectors. Of £1,118,451 banked by April 8, £891,000 was donated by 10 people. In total, fewer than 10,000 people have contributed to the fund.

The financial basis of Yes Scotland is equally narrow. Only 7,000 people contributed the £1.7 million raised by April. Of this, £1.3 million came from a Scottish National Party-supporting couple in Ayrshire who won £161 million in the Euromillions lottery in 2011. Most of the remainder came directly from the SNP and from Angus Tulloch, another of the SNP's coterie of fund managers. Other contributors include a property developer and the owner of a chain of pharmacies. In total, only around 16,000 people have contributed to either campaign, dominated by a tiny numbers of superwealthy individuals. Yes Scotland's public pitch is based on little more than repeating the assertion that independence makes everything better. Late April, for example, the group held a "prosperity" campaign in which supporters leafleted town centres on the basis of its claims.

A "prosperity narrative for volunteers" on its web site asserts, "measuring wealth as GDP per head of population, Scotland is the eighth wealthiest country in the OECD." With independence, the group claims, "we can build a fairer and more prosperous country."

It makes no mention at all of the global financial crisis, its shattering impact on Europe, on the eurozone, or on the countries the SNP most seeks to emulate—Scandinavia, Ireland and Iceland. Nor does it address the proof offered by Greece and even countries as large as Spain and Italy that the financial oligarchy—domesticandinternational—dictatesausterity measures with no regard to national borders, flags and other accoutrements of sovereignty and nationhood.

It merely asserts, "we are more likely to make the right choices for our society and our economy." Who "we" are is, of course, never defined.

Better Together's publicity material is equally deceptive. Its web site asserts that "the BBC and the Bank of England were founded by Scotsmen. The NHS was founded by a Welshman. The State Pension system was founded by an Englishman." The cynicism of these statements during the most serious assault on the NHS and social welfare by the parties supporting Better Together is breathtaking.

The "No" campaign's basic appeal is to business on the grounds that the "UK is better placed than a separate Scotland or England to help our businesses find and win new orders across the world", while upholding the United Nations, NATO and the European Union (EU) as sources of "real clout". Put more concretely, this amounts to telling Scottish business interests that if they want some of the spoils from accelerating US-led carve-up of the globe, they had better stay in the UK rather than make a separate pitch.

The "No" campaign's appeal to ruling circles is strengthened by the fact that, despite the SNP's claim to seek "independence in Europe", it is entirely unclear whether an independent Scotland would be able to quickly, or at all, join the EU. If it did, what conditions would be imposed? The SNP was forced to admit last year that it had never sought legal advice as to whether Scotland would be automatically entitled to EU membership.

On NATO, while the SNP recently dumped its longstanding hostility to the US-led military alliance, it is not clear that NATO would automatically grant Scotland membership. The SNP remains nominally committed to removing Trident nuclear missiles, which is opposed by both London and Washington.

The SNP recently held talks with US officials to reassure them that US bases would continue to be welcome following Scottish independence. SNP leader Alex Salmond, on an investment visit to Washington, refused to divulge further content of the discussions with his US "friends and partners".

Shortly after Salmond's tour, former US secretary of state Colin Powell and a number of NATO officials made clear that as a "new state" Scotland would have to apply for NATO membership. The unstated implication was simple—if the SNP rejects Trident, then its NATO membership will be blocked.

The fog surrounding the "Yes" campaign is even denser on the question of currency. The SNP is, for the moment, settled on a "sterling" zone, run by the Bank of England, a position that, one would think, negates the stated aim of Scottish independence in the first place. But Yes Scotland is split on the matter. Former Labour MP Denis Canavan, now the chair of Yes Scotland, stated April 30 that "there is a considerable body of opinion" in favour of Scotland having its own currency, with an option for a referendum on joining the euro, "if and when the eurozone recovers economically."

Canavan's position is shared by former SNP leader Gordon Wilson, the Scottish Greens and the ex-left Scottish Socialist Party, whose Colin Fox sits on the Yes Scotland advisory board. Pinning hopes on the recovery of the euro is to pin hopes on the success of the offensive under way against jobs, wages and social conditions being made in the name of securing Europe is globally competitive.

Should a sterling zone be adopted, Britain's ruling elite will insist that savage austerity be imposed. The UK Treasury has warned that it might refuse to agree on a formal currency union with an independent Scotland unless spending was slashed to cut public debt. The Treasury and the Bank of England would insist on "rigorous oversight of Scotland's economic and fiscal plans by both the new Scottish and the continuing UK authorities."

Unless this demand were heeded, Tory chancellor George Osborne was warning that a currency union would be exposed to the risk of currency speculation and downgrading. "Even with constraints in place, the economic rationale for the UK to agree to enter a formal sterling union with a separate state is not clear," it added.

There is no indication of popular support for either campaign, with polls suggesting little or no shift in the 30 percent support for independence. But with the entire gamut of the pseudo-left groups such as the Scottish Socialist Party championing an independent capitalist Scotland and fawning over the SNP, the working class is being denied the right to take an independent stand against plans to continue the austerity course that is destroying their livelihoods.

At a time when workers should be won to a perspective for creating their own government through the overthrow of British capitalism and a unified struggle for socialism throughout Europe, the pseudoleft are deliberately seeking to consign the working class to the position of cheerleaders for Salmond's plans to create Scotland PLC.



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